

SENATE

WEDNESDAY, AUGUST 5, 1959

WALLACE F. BENNETT, a Senator from the State of Utah, offered the following prayer:

Our Father in heaven, as we approach and enter the closing days of this session, we, the Members and officers of this body, are in need of many special blessings.

As individuals, we hope that Thou wilt bless us with patience, with understanding of our responsibilities, with humility, and with the ability to subordinate our personal, selfish aims to the accomplishment of our important tasks.

As Members of this body, we pray that we may be able to have and to maintain an appreciation of the necessities of this body as an entity, as an agency of the Government. Bless us, that we may be able to undertake our share of responsibility for the success of the Senate as a separate, distinct, and important organization.

We pray, too, that we may never forget our responsibilities as citizens of this country and officers of this Government, that we may keep the national interest always before us, and be willing to subordinate the less important interests and motivations to the national welfare.

Finally, we pray that as we face these serious responsibilities, we may always do so in the spirit of truth and in the spirit of dedication and devotion to principle, in order that when our work is finished, it may have been done for the best possible good of ourselves, the Senate, our country, and all men who believe and trust in freedom and principle, everywhere.

These blessings we ask in the name of Thy Son, Jesus Christ. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 4, 1959, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF COMMISSION OF FINE ARTS—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Rules and Administration:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activi-

ties during the period July 1, 1948, to June 30, 1954.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, August 5, 1959.

(NOTE.—Only copy of actual report was transmitted to the House of Representatives.)

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Paul C. Weick, of Ohio, to be U.S. circuit judge for the sixth circuit, which was referred to the Committee on the Judiciary.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H.R. 6940) to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska, and it was signed by the President pro tempore.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE LABOR-MANAGEMENT ANTI-RACKETEERING BILL, AND LEGISLATIVE AND EXECUTIVE RESPONSIBILITY

Mr. JOHNSON of Texas. Mr. President, last week the President made some philosophical remarks about the necessity of defending the executive branch of the Government from legislative encroachment. His words provoked some approving editorials and articles.

Mr. President, on the desk of each Member there is a unanimous-consent agreement in connection with Senate bill 2471, which would seek to bring into agreement the views of the legislative branch and the executive branch. As majority leader, I do not expect to move to have that bill considered by the Senate unless and until a satisfactory agreement has been reached with the executive branch, and unless and until the bill which it would seek to amend becomes law. I have been informed that that would be the correct parliamentary procedure.

There is also indication that the President is going to use the prestige of the White House and nationwide facilities to discuss his ideas of what consti-

tutes an effective antiracketeering bill; and I am informed that he will do this on the eve of the House of Representatives debate on this important legislation.

Members of the Senate will recall that last year the Senate passed, by a vote of 89 to 1, after thorough debate of several days, an effective antiracketeering bill. Members will also recall that this year the Senate, after weeks of hearings, and after 9 days of day-and-night debate, passed an effective antiracketeering bill, by a vote of 90 to 1.

Mr. President, there are very few persons I know of who do not want an effective antiracketeering bill enacted. The real difficulty is that honorable men disagree on what constitutes a bill that will be both effective and fair.

It is my opinion that this is a problem which the collective judgment of the Congress must resolve. If the President feels that he must enter the debate while the Congress is attempting to resolve the problem, and before the bill comes to him, I trust and I pray, as I know all other Americans do, that he will be able to shed light, instead of generate heat.

Mr. DIRKSEN. Mr. President, I would regard it as most timely if the President of the United States did utter his sentiments with respect to what he believes to be an adequate labor-management reform bill to meet the challenges which today are on the American horizon. As the Chief Executive of the country under the Constitution, I believe that, first of all, he has that responsibility; and I believe it would be timely for him to exercise it now.

I may say, in a personal word, that no later than yesterday morning, I urged upon the President, and recommended, that he go to the country with a message on this all-important subject. It now becomes even more timely in view of the fact that the McClellan committee's interim report was filed only yesterday—and what a document it is to awaken the American people to what is at the present time on the horizon of the country.

I should like to make one comment with respect to the one-sided vote by which the labor-management reform bill passed the Senate. I have pointed out on a number of occasions that notwithstanding the fact that we felt the bill was inadequate, in that it did not deal sufficiently with the field of black-mail picketing, secondary boycotts, no man's land, and certain enforcement provisions, we had virtually no choice except to vote for the bill, for otherwise there would have been no action at all on that subject in this Congress; a failure on the part of the Senate to act, when it was the initiatory body, would have been like notice to the House of Representatives that it might just as well stick its bill into a pigeonhole. So, in my judgment, the vote of 90 to 1 connoted very little as to the number of Members who felt that the bill was entirely inadequate for the necessities of the moment and entirely inadequate to meet what I regard as the serious and

threatening challenges which are before us at the present time.

The mail which comes to every Senator's desk evidences a tremendous and intense interest in every section of the country, among people in all walks of life.

I can only express the hope that when the bill reaches the floor of the House of Representatives, next week—as I understand it will—the Members of the House will stand up to it and will do an infinitely better job, so that when the bill goes to conference, it will contain what have been described as the requisite teeth, the necessary provisions to meet the present challenge.

Mr. SYMINGTON. Mr. President, will the minority leader yield briefly to me, for a question of fact?

Mr. DIRKSEN. I yield.

Mr. SYMINGTON. I ask my able friend, the Senator from Illinois, whether he is talking about the vote in the Senate this year or the vote in the Senate last year.

Mr. DIRKSEN. The vote this year.

Mr. SYMINGTON. This year? I thank the Senator from Illinois.

Mr. MANSFIELD. Mr. President, apropos the announcement that tomorrow night the President will speak to the Nation on labor-management legislation, I should like to state that last year the Senate passed, by a vote of 89 to 1, a very good antiracketeering labor bill, as the majority leader has already stated. That bill was not passed by the House of Representatives, because the bill was brought up in the House under a suspension of the rule, after undue delay, and the necessary two-thirds majority vote was not forthcoming. I think the record will show that at that time the great majority of the Republicans voted against the labor bill, and the great majority of the Democrats supported it. This year a labor bill was passed by the Senate by a vote of 90 to 1. All kinds of amendments were offered. I recall the distinguished minority whip [Mr. KUCHEL] had a leading part in writing into the bill a so-called bill of rights provision, which was accepted by the Senate.

I express the hope that, inasmuch as President Eisenhower is to go before the people of the Nation tomorrow night, through the media of TV and radio, the same privilege will be accorded by the networks to the author of the labor antiracketeering bill which passed this body a few months ago, the distinguished Senator from Massachusetts [Mr. KENNEDY] or to the Speaker of the House or the distinguished majority leader [Mr. MCCORMACK]. I think he or they should have equal time in this respect so that, on that basis, the American people can then make up their minds whether we have passed a sufficiently strong bill in the Senate as I think we have.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. JOHNSON of Texas. I point out for the record that the great crusade

came into power in 1952 with an overwhelming mandate of the American people, and the late distinguished labor expert, the beloved Senator from Ohio, Mr. Taft, became the majority leader of the U.S. Senate in the 83d Congress.

That session came and went without any labor bill of any kind. Then we had a second session of the 83d Congress. We were led in this body by that fearless and courageous American, William F. Knowland, of California. The session came and went without any labor bill.

I would remind the Republican Party, which utilizes every opportunity to become as partisan as it has been since it came into power that it was a Democratic Congress that brought into existence a Democratic committee, headed by a great American, JOHN McCLELLAN, that exposed the racketeers and hoodlums. I shall not go into the details of which party the principal racketeers belong to. But, pursuant to the recommendation of the McClellan committee, and after full and adequate opportunity had been given to every Member of the Senate to offer every amendment that could be conjured up by any trade association or any labor organization, after full and ample and lengthy debate, the Senate passed by a vote of 90 to 1, an effective antiracketeering bill, and it did so without any pressure, it did so without any heat, it did so without any ultimatums.

I am one who believes that the House of Representatives is perfectly competent to act in its wisdom on the type of legislation the majority of its Members feel ought to be passed. I have no doubt it will be effective antiracketeering legislation.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

APPOINTMENT OF SPECIAL NONUNIFORMED POLICEMEN BY ADMINISTRATOR OF GENERAL SERVICES

A letter from the Administrator of General Services transmitting a draft of proposed legislation to amend the act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen (with accompanying papers); to the Committee on Government Operations.

ADMINISTRATION OF OATHS TO WITNESSES BY CERTAIN OFFICERS AND EMPLOYEES OF GENERAL SERVICES ADMINISTRATION

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend section 205 of the Federal Property and Administrative Services Act of 1949 to empower certain officers and employees of the General Services Administration to administer oaths to witnesses (with accompanying papers); to the Committee on Government Operations.

REPORT ON CONSTRUCTION, OPERATION, AND MAINTENANCE OF DELUZ DAM, CALIF.

A letter from the Under Secretary of the Navy, reporting, pursuant to law, on the

construction, operation, and maintenance of the DeLuz Dam on the Santa Margarita River, in the State of California; to the Committee on Interior and Insular Affairs.

PLANS FOR WORKS OF IMPROVEMENT IN CALIFORNIA, OKLAHOMA, AND VIRGINIA

A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Marsh-Kellogg watershed, California, upper Clear Boggy Creek, Okla., and Roanoke Creek, Va. (with accompanying papers); to the Committee on Public Works.

SECOND INTERIM REPORT OF SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD (S. REPT. NO. 621)

Mr. McCLELLAN. Mr. President, on behalf of the Senate Select Committee To Investigate Improper Activities in Labor-Management Relations, pursuant to Senate Resolution 44, 86th Congress, I am today filing another portion of the Senate Select Committee Labor-Management report on those activities during the year 1958. This report includes the factual summary on the hearings into the activities of James R. Hoffa, which support the findings which I filed yesterday with the Senate. In addition, this report contains factual summaries and findings on Teamsters Local 295 and the Detroit Institute of Laundering in Detroit, Mich.; Allen Dorfman and the Union Insurance Agency of Illinois; the Great Atlantic & Pacific Tea Co., of New York, and New York Locals 342 and 640 of the Amalgamated Meat Cutters and Butcher Workmen of North America.

The committee is still considering other reports of its 1958 activities, including those dealing with hearings involving Philadelphia Teamsters Local 107, the United Brotherhood of Carpenters; secondary boycotts, a Chicago local of the Sheet Metal Workers Union; racketeer infiltration of the restaurant industry in Chicago and the overall industry in Detroit, Mich., and the UAW strikes at the Kohler Co., Kohler, Wis., and the Perfect Circle Co. in New Castle, Ind. These reports will be issued as soon as they have won the approval of the members of the committee.

As I stated on the floor yesterday, these reports highlight the immediate need for legislation in the labor-management field.

The PRESIDENT pro tempore. The report will be received and printed.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Frederick Henry Mueller, of Michigan, to be Secretary of Commerce; and

Thomas H. Carter, and sundry other persons, for appointment in the Coast Guard.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPARKMAN (for himself and Mr. HILL):

S. 2490. A bill to provide for the conveyance of all right, title, and interest of the United States which was reserved or retained in certain lands heretofore conveyed to the Attalla City Board of Education, Attalla, Ala.; to the Committee on Labor and Public Welfare.

By Mr. NEUBERGER (for himself, Mr. MURRAY, Mr. McNAMARA, Mr. CLARK, and Mr. WILLIAMS of New Jersey):

S. 2491. A bill to establish a Federal Recreation Service in the Department of Health, Education, and Welfare, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 2492. A bill to amend section 27 of the Merchant Marine Act, 1920, in order to allow certain vessels to be used in the coastwise trade of the United States; to the Committee on Interstate and Foreign Commerce.

FEDERAL RECREATION SERVICE WOULD PROVIDE CENTRAL AGENCY TO ASSIST PUBLIC AND PRIVATE GROUPS

Mr. NEUBERGER. Mr. President, I introduce, for appropriate reference, a bill to establish a Federal Recreation Service in the Department of Health, Education, and Welfare. I am pleased to be joined in the introduction of this measure by the senior Senator from Montana [Mr. MURRAY], the senior Senator from Michigan [Mr. McNAMARA], the senior Senator from Pennsylvania [Mr. CLARK], and the junior Senator from New Jersey [Mr. WILLIAMS].

Mr. President, in 1900, the average American worker spent 60 hours a week on the job. Today, as a result of work around the bargaining table and on the inventor's workbench, this figure has been cut to 40 hours. As our technological advances increase, we will probably have even further reductions in the average workweek, and the wonders of such home-use products as "instant potatoes" and electric floor polishers contribute still more extra time.

More spare time has created a problem, one which grows in size as our population and leisure hours increase. The greater number of spare hours has resulted in a greater demand for organized and planned recreation. Recreation programs contribute not just to the physical and mental health of a community. In providing activity of a positive nature, they help to curb crime and delinquency, encourage good citizenship and strengthen family and community relationships.

Several thousand cities and towns in the United States have established community recreation programs. Many of these programs are limited to a summer or part-time basis, however, and there is an increasing need and demand for new and expanded programs and for

the planning and procedural advice to assist in implementing them.

Municipal, county, and State governments and voluntary organizations establishing recreation programs must face a host of details such as utilization of community resources, statutory, and legislative requirements and limitations, financing, organization procedures, and employment standards. The Federal Recreation Service, which would be created by my bill, would provide a centralized agency which could offer communities and organizations ready advice on these matters. Under the terms of the bill, the Service would also be able to offer technical data for improvement of existing activities in communities which already have recreation programs.

In addition, the Service would assist in training of personnel, one of the most important areas of recreation programming, through institutes, workshops, and conferences. Studies, in cooperation with other government agencies, would be authorized to aid public and nonprofit private organizations in program planning.

The bill also provides for a National Advisory Board on Recreation Services, with a Chairman and at least 24 members, appointed by the Secretary of Health, Education, and Welfare to advise and make recommendations to him.

The purposes of this bill, including establishment of a Federal Recreation Service, can easily be carried out within the framework of the Department of Health, Education, and Welfare with relatively little expense. The benefits derived from the establishment of such a Service would be great, however, both to the many public and private agencies striving to improve recreation programs and to the millions of American citizens with whose welfare these groups are concerned.

In conclusion, Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks, and that the bill may remain on the table for 3 calendar days in order that any Senators who wish may be added as cosponsors.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and held at the desk, as requested by the Senator from Oregon.

The bill (S. 2491) to establish a Federal Recreation Service in the Department of Health, Education, and Welfare, and for other purposes, introduced by Mr. NEUBERGER (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby created in the Department of Health, Education, and Welfare, a service to be called the Federal Recreation Service (hereinafter referred to as the "Service"), the Director of which shall be appointed by the Secretary of the Department. The Service (1) shall provide public and non-

profit private agencies with information which will assist such agencies in determining and in meeting the expanding needs of the public for wholesome recreation services, and make available to such agencies technical and advisory service concerning community recreation problems; (2) shall cooperate with other Federal agencies, with the States, and recreation groups in planning for recreation services for the people of the United States; (3) shall conduct research, studies, surveys, and appraisals with respect to public recreation services, and disseminate the results of such research, studies, surveys, and appraisals to interested public and nonprofit private agencies; (4) shall assist in training recreation personnel through institutes, workshops, conferences, and any other method deemed appropriate by the Secretary of Health, Education, and Welfare; and (5) may enter into agreements or contracts with Federal or State agencies or educational or nonprofit research institutions for such services as, in the judgment of the Secretary of Health, Education, and Welfare, will promote the purposes of this Act.

SEC. 2. The Secretary of Health, Education, and Welfare shall establish a National Advisory Board on Recreation Services which shall consist of a Chairman of the Board, and at least 24 additional members, to be appointed by the Secretary without regard to the civil service laws. The appointed members shall be selected from the leaders of national standing in the fields of recreation and in related fields and shall be broadly representative of the recreation interests of the Nation. Those members of the Board who are not officers or employees of the United States, while attending conferences or meetings of the Board, or while otherwise serving at the request of the Secretary in carrying out the purposes of this Act, shall be entitled, while serving away from their places of residence, to actual and necessary traveling expenses and not more than \$50 per day for subsistence expenses. The Board shall advise, consult with, and make recommendations to the Secretary of the Department of Health, Education, and Welfare on matters relating to the administration of this Act.

SEC. 3. The Service shall not duplicate any functions performed by any other agency administering recreation facilities and services; and nothing contained in this Act shall limit or impair the authority or responsibility of any other department or agency of the Federal Government under any other Act. In carrying out the purposes of this Act, the Secretary of Health, Education, and Welfare shall cooperate with and receive the cooperation of other Federal departments and agencies which perform functions in the field of recreation services.

SEC. 4. As used in this Act, the term "State" includes the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands.

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

NOTICE OF HEARING ON CONVENTION WITH NORWAY RELATING TO DOUBLE TAXATION

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD, a press release issued yesterday by the Committee on Foreign Relations announcing that on Tuesday, August 11, 1959, a public hearing will be held by the committee on Executive D, 85th Congress, 2d session, a convention

between the United States and Norway relating to double taxation.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FOREIGN RELATIONS,
U.S. SENATE,
August 4, 1959.

Senator SPARKMAN, on behalf of the chairman of the Committee on Foreign Relations, today announced that on Tuesday, August 11, 1959, the committee will hold a public hearing on Executive D, 85th Congress, 2d session, a convention between the United States and Norway relating to double taxation. This convention, which was signed at Oslo on July 10, 1958, would serve to modify and supplement the double taxation convention of June 13, 1949, between the two countries to which the U.S. Senate gave its advice and consent on September 17, 1951.

Anyone desiring to testify on the 1958 convention should contact Mr. Darrell St. Claire, chief clerk of the committee, as soon as possible.

REDUCTIONS BY CONGRESS IN THE PRESIDENT'S BUDGET REQUESTS

Mr. JOHNSON of Texas. Mr. President, with each passing day, it becomes more apparent that when the year is

over this Congress will have made substantial reductions in the President's budget requests. The total will run into several hundred millions.

This is not because of any sudden change of heart on the part of Congress. It is because of carefully coordinated work throughout the session—work which began even in advance of the President's own express desire for economy.

Last November 18 I met with the President to discuss several matters. In the course of that conversation I told him that I thought Congress would cut his budget requests just as it has cut all of the annual budget requests that the Executive has made. Since that time, the congressional intent has been clear as it has been clear in every year I have been in Congress.

I ask unanimous consent that there be printed in the RECORD a table showing the cuts that have been made since fiscal 1955 in the President's budget requests and some excerpts of statements I have made concerning the budget throughout the year.

There being no objection, the table and excerpts were ordered to be printed in the RECORD, as follows:

Congress, session, fiscal year	Budget estimates	Appropriations	Decreased by Congress
83d, 2d, 1955	\$60,770,315,686	\$58,160,445,563	\$2,609,870,123
84th, 1st, 1956	66,023,089,195	63,947,281,321	2,075,807,874
84th, 2d, 1957	73,298,859,629	73,041,364,417	257,495,212
85th, 1st, 1958	78,108,417,112	73,064,958,328	5,043,458,784
85th, 2d, 1959	81,737,060,999	81,119,818,276	617,242,723
Total budget cuts by Congress in last 5 fiscal years			10,603,874,716

EXCERPTS OF BUDGET STATEMENTS FROM THE CONGRESSIONAL RECORD

January 20, 1959, the majority leader stated: "This budget would spend substantially more than current income. * * * Both prudence and candor require that this budget be given a most searching study by the Congress, and each committee in it—and, I might say, comma by comma, and line by line—to determine if the needs of the people are served by it or whether it serves only the campaign needs of partisan interests. It is clear to me that this budget was not prepared to meet the needs of the people, but was prepared to create a political issue for 1960."

February 5, 1959, during the debate on the housing bill which was vetoed on July 7, Senator JOHNSON said: "I am going to work as diligently as I can, as leader of the majority, as a member of the Appropriations Committee, to get the budget in balance. I know two ways to balance the budget. One is to sit in a rocking chair and quit working, to sit and chew and go on retirement and to be paid unemployment compensation benefits and do nothing. The other way is to get up before daylight, work until after dark, do more, and build more, for the country. I am for the latter way."

During the same debate, Senator JOHNSON said: "I am going to screen these appropriations bills. I do not think we have to be lectured on spending. When this Congress shall have finished its work this year, I predict it will be found that we increased some of the recommendations of the President and cut others. This is not going to be a 'me too' Congress—at least not on this side of the Capitol. When it is all over

I hope we shall have a sound fiscal policy and a balanced budget."

February 9, 1959, Senator JOHNSON said: "I do not think that either party should be labeled as the party of the savers or the party of the spenders, but the record does show that the Congress as an institution has been much more saving in its appropriations than the Executive has been in its requests for appropriations."

The senior Senator from Texas later said: "I am convinced each bill will be thoroughly examined with a fine tooth comb. The President's requests will be given sympathetic and sincere consideration, fair and objective consideration."

February 16, 1959, Senator JOHNSON, in a floor discussion with Senator DIRKSEN concerning foreign aid funds, stated: "I shall be controlled by only one interest and that is the national interest. If I feel that the money requested should be appropriated in the national interest, I will vote to appropriate it. * * * I do not want to get the matter of appropriations into party politics any more than I want to get foreign relations or defense matters into party politics. I hope we shall have a yea and nay vote on each appropriation bill this year."

Senator JOHNSON later said: "The only thing I know that Congress can do about the budget is to operate on the appropriation requests. I believe if we go over each one of the requests line by line, and base our judgment on the facts, which are developed, the ultimate result will satisfy the majority of the people of this country."

February 17, 1959, the majority leader stated he felt a distorted picture was being presented of one branch wanting to hold the

line on spending, and the other branch wanting to spend. He pointed out the President had asked for increases in budget estimates, such as 26 percent for foreign aid, 80 percent for OCDM, and many others, which must be considered by Congress but "it is my belief that this will be a prudent and, I trust, a cooperative Congress; and it can be helped much more by Executive cooperation than by efforts to secure a verdict before the evidence has been given and before it has been weighed. I think what the people of the country should do is wait until the testimony is in, wait until the witnesses are heard, wait until the explanations are given, and then form their judgments based upon the record, instead of propaganda."

May 28, 1959, Senator JOHNSON, following final action on the Treasury-Post Office appropriation bill for 1960, stated: "The Committee on Appropriations has made many reductions, in fact the committee has taken such action each year since the President assumed office. The President of the United States, good, kindly, economical man that he is, has never submitted to Congress a budget which Congress has not reduced."

June 8, 1959, Senator JOHNSON, in discussing the Interior Appropriation bill with Senator HAYDEN, stated that the bill as passed by the Senate provided \$3,890,375 less than the amount asked for by the President.

June 9, 1959, the majority leader assured Senator BUSH that, "It is not a new-found desire of the majority leader to stay within the budget. The majority leader stated last fall that he hoped we could stay within the budget. * * * I have stated on the floor of the Senate and in public meetings all over the country that I hoped this Congress would appropriate less money than the President asked the Congress to appropriate."

June 16, 1959, Senator JOHNSON inserted in the RECORD his newsletter, dated February 10, 1959, in which he had recounted over a \$10 billion budget cut by Congress during the last 5 fiscal years. The newsletter promised that: "The Senate this year will take the same hard look at the budget recommendations. In some cases, the Senate will add to the recommendations. In others, no doubt, it will reduce the amount."

June 22, 1959, Senator JOHNSON, in handling State-Justice-Judiciary appropriations bill for 1960, stated: "The bill as reported from the Senate committee is decreased by \$1,472,000 under the House bill, and a decrease of \$31,882,900 under the budget estimate * * * and this is the first bill to be cut below the House figure."

July 8, 1959, Senator JOHNSON in discussing mutual security stated: "The time is going to come, and it is not far away, when the cloak of hypocrisy will be torn from around some of the propaganda which is being spread over the country. It startled me to realize that an administration can ask for \$4,500 million for backdoor financing for the International Monetary Fund and the World Bank and then have the audacity to criticize \$100 million of financing for veterans' housing in its own country."

July 9, 1959, Senator JOHNSON, in discussing the housing veto, the possibility of a special session as suggested by the President and the legislative program generally at the White House stated: "Let me say a word about the appropriations bills. In some cases, as I stated last fall (November 18) when I met with the President, I believe the Congress will actually vote appropriations less than those the President has recommended. That prediction has been borne out by the appropriation bills passed thus far. In some instances, the appropriations recommended by the President will be increased by the Congress—as the Senate did in the case of the appropriations for the

Department of Health, Education, and Welfare, and as the Senate will do in the case of defense appropriations—because we believe it is the better part of wisdom to have a stronger defense than that recommended by the budget."

LOCAL SERVICE AIRLINE REGULATION

Mr. BARTLETT. Mr. President, last week the Association of Local Transport Airlines saluted civil aviation in Alaska by holding its regional quarterly meeting in Anchorage and Fairbanks.

Hosts for this event were ALTA's four Alaska members—Alaska Airlines, Northern Consolidated Airlines, Reeve Aleutian Airways, and Wien Alaska Airlines. During the meeting Cordova Airlines joined the association. I was privileged to be invited to attend this meeting and to address the ALTA membership twice.

The Hon. James R. Durfee, Chairman of the Civil Aeronautics Board, was the speaker at the concluding banquet in Fairbanks on July 31.

Chairman Durfee pointed out, in memorable manner, the important role air transport played in the development of Alaska into the ranks of statehood. He delivered a significant discussion of the need for a new plan of local service airline regulation and subsidy administration—a plan that would give local service carriers much more management discretion.

Mr. President, I ask unanimous consent to have Chairman Durfee's address printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is an honor for me, on behalf of the Civil Aeronautics Board, to join the local transport industry, on the occasion of its tribute to our newest State on its formal admission into the Union.

It is a special honor to be invited here by Alaska's new Governor, William Egan, who has played a prominent part in the aviation history of this great State. And it is a privilege to share the program with Alaska's Senator Bob BARTLETT, who, as a member of the Senate Committee on Interstate and Foreign Commerce, has, in a few short months, become the mentor of Alaska's aviation development and a leading figure in our Nation's aviation picture.

No tribute to Alaskan statehood is more fitting than that from the air transport industry—for no industry has played a bigger role in the development of Alaska into the ranks of statehood. The mutual growth of the Territory and aviation is the saga of Alaska's history.

As the Ohio River barge opened the American Middle West, as the covered wagon and stage opened the old West, and as the railroads opened the Great Plains and then tied West and East together, aviation and the airlines have opened our last frontier, Alaska, and linked it with the rest of the Nation.

The legend of the pony express rider, of Casey Jones, of the riverboat captains that Mark Twain made famous—those legends give way to the legend of the bush pilot in the last frontier.

The saga, the legend of Alaska's history will, I am confident, become the television western of the future, and the Wells Fargo stage, the pony express rider, of past west-

erns will give way to the bush pilot riding the air trails on missions of greater daring than any the conventional western hero ever faced with Indians, outlaws, or cattle stampedes. And likely as not the television hero of this future western will carry the handle of one of our hosts here at this meeting, Bob Reeve, Ray Petersen, or Sig Wien, instead of Marshal Dillon or Wyatt Earp.

The history of the United States is, in a very real way, the story of the development of transportation. Nowhere in our history is that better illustrated than in Alaska, where aviation is the backbone of all commerce.

I looked at some statistics for intra-Alaskan operations before I left Washington to get some concrete notion of the significance of air transportation up here. And the figures amazed me, even though I knew, in general, the importance of aviation here.

Not counting nonscheduled services and not counting the independent operators that we call Alaska air taxi operators, the Alaskan certificated carriers, in their scheduled services alone, carried a passenger total in 1958 which is the equivalent of about one trip per year for each man, woman, and child in the State. Back in the older States, the passenger total was equivalent to about one trip for every four people. In short, Alaskans take about four times as many air trips on scheduled airlines alone annually as their compatriots back in the old States.

On the cargo side, about one-third of the tonnage of the Alaskan certificated carriers in their scheduled services alone is freight. Back in the old States, the figure is about 10 to 12 percent. In Alaska, mail is 15 percent of the total tonnage; in the old States it is only about 3 percent.

In speeches I give to groups across the country, I often try to dramatize the development of aviation and air transportation by pointing out that airlines carry more passengers domestically than do trains and buses—and more passengers across the oceans than do the ocean liners. Here in Alaska aviation needs no dramatization because it is the basic transportation system for Alaska's commerce and the foundation of Alaska's everyday life.

Despite the role that aviation has already played in your history, I think it is safe to say that your aviation development has just begun. The introduction of the new F-27—the latest in propjet air transportation—by Wien and by Ray Petersen on Northern Consolidated is just the beginning of a fast growing future. The development of Alaska Airlines system into a real competitive force under Charlie Willis and the achievement of Bob Reeve in getting his operation off subsidy are signs of real progress.

Alaska is rapidly becoming a world crossroad on the transpolar routes between the Western nations and the Orient. Northwest's new weekly service direct from New York gives Alaska a new gateway directly to the industrial east and the Nation's Capital, cutting more than 4 hours off the scheduled time through Seattle. The emphasis on the development of new, lower cost cargo planes should bring a bonanza to your cargo lifeline to the south.

I am equally confident that we shall see, in the not too distant future, the development of more economical small planes to serve other Alaska needs. In fact Alaska, because of its dependence on air transportation, may well be the model, the testing ground, for the equipment that will serve the expansion of air transportation in the rest of the States.

The Civil Aeronautics Board is proud of the part it was able to play in Alaska's progress toward statehood through the promotion and development of your aviation in-

dustry on behalf of the Federal Government. Statehood works us out of part of our job, of course, and part of our stake in Alaskan aviation. This is as it should be. But so long as the Federal Government continues to make its annual subsidy investment in the development of Alaskan air transportation, an investment currently running at about \$7 million annually, the Civil Aeronautics Board will continue to have a very active interest in the development of aviation here.

We know that Alaskan aviation faces problems. None will be more difficult to resolve than the creation of a State regulatory machinery to both control and promote the development of aviation within the State. I know the State has already begun to struggle with this problem; we hear some of the rumbles as far away as Washington.

This is entirely a matter for the State, of course, and I am not here to comment on that problem at all. However, the difficulties of creating a suitable regulatory environment to both control and develop aviation are familiar to me, and they are my theme tonight. The State of Alaska is not the only Government body facing tough regulatory problems that are shared by the industry.

Over a year ago, at ALTA's Las Vegas meeting, I outlined to ALTA and the local transport industry, the Board's general dissatisfaction with the existing scheme of subsidy administration. I outlined our objective of bringing a new look to that program, a new look that we hoped would introduce management incentives, give the Government better control over subsidy, and take the CAB out of the business of second guessing management.

We've been at work on that plan for over a year. We had hoped, originally, to have it in effect by July 1 last. You have had a look, this week, at a revised version of a plan designed to accomplish the Board's objectives. The plan has its weaknesses. It will probably never be perfect. We know that we haven't reached the stage yet where the Government can regulate business by formula, by grinding out answers on a computing machine.

Nevertheless, I want to emphasize the critical importance of adopting a scheme—this one or one like it—that will begin to rationalize subsidy administration with specific standards.

Until we have a more rational scheme, there will be no financial stability in the local transport industry. Financial institutions, unable to evaluate the qualities of management—and, indeed, unable to know whether management or the Board runs the local carriers—the financial institutions will have little or no confidence in local carriers. Certainly until local carriers can give potential investors a realistic, rational forecast of their potential, there will be no investor confidence in the local carriers. Perhaps most important of all, in the absence of a rational scheme, the taxpayers of the United States and their representatives in Congress will have no confidence in the industry, and will begin to question, as they did this year, the rising subsidy bill.

I do not mean to imply that the millennium will arrive when we have subsidy standards. It is only a first step in an effort to make sense of local service regulations and promotion. The next step, which would be helped immensely by the first, would be the development of a new look in expanding and adjusting the route system. Neither the carriers, the Board, nor the public can know where the local transport industry is going without more definitive standards for the growth of local service.

A year ago I said that the success of the local service experiment could be measured in

terms of the numbers of people carried, as a measure of the public service being provided. However, it does not serve the public interest, the interest of the United States in meeting its needs for an economical and efficient air transportation system, simply to add more and more cities to the transportation network to carry more and more passengers, at greater and greater annual subsidy costs. Subsidized transportation should be an investment, not simply a drain through which dollars are poured every year with no hope of a return in the form of cheaper and ultimately self-sufficient operations in the future. Local service expansion does not serve the public interest unless there is a prospect of concurrent improvement, and substantial improvement, in amount of public service per dollar of subsidy, in the local carrier's ability to provide that service at a lower cost, and in the incentive provided the local carrier to meet the needs of its system.

I am not satisfied that our regulatory machinery, our approach to creating new routes, produces this result. I am satisfied that our regulatory machinery, as it now works, causes far too great an amount of delays, complaints, and dissatisfaction. I do know that the public and the Congress will not be satisfied to have it continue, no matter how often we explain that the Administrative Procedure Act and the hearing requirements of the law are the cause of most of our delays and dissatisfaction.

Last year I talked to you about growth in local service. It grew under the regulation of the Board and the Civil Aeronautics Act, but I still do not think a Government agency is the best body to decide how, when, and where a business should expand. I still do not think that a judicial proceeding offers the best machinery for making such management decisions, and it is certainly not the best means of planning a business future.

In the local airlines business, the Board must now make those decisions: first, because under the act we must do so as long as we award routes the way we do; second, because the local airlines business is subsidized in such a way that expansion, for expansion's sake regardless of economies, often carries with it a chance of additional subsidized profit; and, third, because the Government has to control entry and competition to assure safe and adequate service at a reasonable cost. These are all good reasons, but they do not prove that our cumbersome process is the best or even good.

If we step back for a moment and take a look at the local service business, I think we can isolate three general jobs that the Board must do under the act.

First, the Board must lay down the boundaries within which a local service airline can operate—not because it is so essential for the Government to say where or how local service should be provided, but to limit duplication that would increase costs and waste subsidy.

How can this best be done? I am increasingly attracted to this kind of an idea: An area should be permanently marked out for a local service carrier—not necessarily a geographic area, but an area of traffic flow—and this carrier should be given a monopoly for the time being, with the freedom, within that area, and subject to general rules or restrictions, to provide all needed local service, to decide which cities can economically support service within the budget allotted by a subsidy standards program, to determine routings, service patterns, schedule patterns and to make all the similar management decisions. Only with some approach like this—what we might call, by analogy, a route standards program—do I think we will ever get the full advantage

of the subsidy the United States is spending. Only with some such regulatory scheme can we take the fullest advantage of private initiative within the subsidized and regulated framework.

The Board would still have to have route hearings to adjust the boundaries between carriers and to redefine the relative jobs of local and trunk carriers as conditions change. But within each area, local service, as defined by the Board and subject to its general rules and restrictions, would be the job of the carrier management.

A route program like this could only be accomplished with a subsidy standards system such as you have discussed here this week, a system that would incorporate even better subsidy control features. This is the second job of the Board, to spend subsidy so that the maximum amount of local service is provided in each area for each dollar spent, and to see that it is spent to improve the air transportation system.

The third job of the Board—providing a spur for management—has been done previously only in a negative way by imposing the so-called local service restriction on top of linear route descriptions. But, while this control assures a minimum number of stops for a certificated community, it also hobbles management—denies management in many cases the flexibility to provide the kind of service really needed by communities. I would far prefer to see the Board checking the exercise of a less restricted management discretion than prescribing these hard and fast rules.

The kind of program I am describing may seem like—and may in fact be—the unattainable millennium. I can guarantee that it is unattainable without subsidy standards.

The alternative to this kind of scheme, however, is a continuation of a scheme that has Government looking over your shoulder at every move you make, requiring prior approval of every step you take and second-guessing you on every decision, and doing this with an organization that cannot hope to grow large enough, fast enough to meet the problems that you face it with. What we want is to keep management out of the Washington hearing rooms—there aren't any passengers to be sold there.

I told you at Las Vegas that I felt our subsidy system had worked out well for the purposes it was originally designed to accomplish, the development of the trunklines. It has been patched and repatched to do today's work; but, just as the DC-3 is less and less able to do today's work, so the mail rate scheme designed for DC-3 services is less and less able to do its job of promoting and developing air transportation in a jet age. Increasingly, I feel the same about the development of local service routes. The same kind of effort that has been aimed at developing subsidy standards must be aimed at developing route or service management standards to free the development of local air service from the shackles of the past.

On every side, the local transport industry faces new, imperative challenges: new equipment, new routes, new traffic—and by that I mean new mail traffic under the recently announced Post Office proposal—and new competitive conditions, with rail service contracting more and more everyday and trunkline air service changing its scope. If these challenges are to be steppingstones to a more successful future, your industry must be allowed to meet the challenges with the most favorable regulatory climate possible.

The Board has taken some steps to provide it. Subsidy standards are the key. The use it or lose it standards are a rough, a very rough, effort to establish some guidelines for service. Even more important, those standards fix the framework for an unprecedented local promotional effort that I discussed in

a message to Gwin Hick's people at Lake Central and to Frank Hulse and Southern Airways in the past few months. The area development of route systems in recent local service cases can be the framework for the kind of route management I have spoken of tonight.

Much more remains to be done. The Board cannot hope to do more than scratch the surface of these problems by itself. ALTA, under the able direction of the inimitable Joe Adams, has been a great leavening for ideas and assistance from the local transport industry in its 2 years of existence. With your continued assistance, your continued receptiveness to new ideas, the Board can hope to meet the problems of your future.

THE NEED TO CONTINUE THE HIGHWAY PROGRAM

Mr. SYMINGTON. Mr. President, I have received a telegram from the Honorable James T. Blair, Governor of the State of Missouri, with respect to the current critical situation in my State now characteristic of the highway construction program.

I ask unanimous consent that this telegram be printed at this point in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JEFFERSON CITY, MO.

Hon. STUART SYMINGTON,
Washington, D.C.:

The Missouri State Highway Commission has discontinued receiving bids for highway construction because of the predicted delay in Federal reimbursement. The need today for an adequate continuing stabilized highway construction program is more critical than it was when Congress passed the 1956 Federal Highway Act and when it continued its approval of the highway program with the expanded 1958 Federal Highway Act. I urge that you support and work for highway legislation that will stabilize and continue the program at its present rate.

JAMES T. BLAIR, JR.,

Governor, State of Missouri.

Mr. SYMINGTON. Mr. President, I have also received a letter from the chief engineer of the Missouri State Highway Commission, which presents clearly and concisely the grave situation in which many States will be unless the Congress acts on this matter during this session.

I ask unanimous consent that this letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MISSOURI STATE HIGHWAY COMMISSION,

Jefferson City, Mo., July 29, 1959.

Hon. STUART SYMINGTON,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR SYMINGTON: I am deeply disturbed by the present situation in Federal highway financing because, first and foremost, the States have been advised by the Bureau of Public Roads that unless "the income of the highway trust fund is increased State vouchers for both ABC and the Interstate System reimbursements of about \$500 million will have to be held unpaid until the trust fund can support their payment. The holding of the vouchers would have to

begin this fall." (I now understand October 1, 1959.)

Secondly, I further understand that unless some action is taken by Congress at this session that there will be no apportionment of money for the Interstate System for the 1961 fiscal year and very little for the 1962 fiscal year, and for the year following an apportionment of \$1.6 million, which is just about two-thirds of the amount which was apportioned for the 1960 fiscal year. This, of course, means a stretch out in the time that it will take to complete the Interstate System which is so critically needed now.

The first critical condition wherein the Bureau of Public Roads will not be in a position to reimburse promptly for highway work done by the States is brought about, in my judgment, by the fact that the Congress in 1958 waived the Byrd amendment which limited expenditures to the amount of money in the highway trust fund and apportioned \$2½ billion for the fiscal year 1960 on the Interstate System, \$925 million to the ABC system and \$400 million for emergency expenditures; with the further provision that the States not able financially to match the \$400 million with State funds could borrow a little over \$100 million for that purpose. The States were urged to get work underway as quickly as possible. Then, just a little over 2 weeks ago, Public Law 86-88, the Department of Commerce's appropriation act in the section entitled "Federal aid highways trust fund" limited the payment of money for work done on Federal aid highways to a certain amount and provided further "or so much thereof as may be available in and derived from the highway trust fund." As a result of this wording in the appropriation bill we have been advised that reimbursements for highway work will be limited to the amount of money in the trust fund, and we have been further advised, as I indicated above, that Mr. Tallamy feels the trust fund will be depleted by early October and payments to States will be delayed thereafter.

I assure you that this puts Missouri, and I am convinced many other States, in a precarious financial situation. Yesterday we canceled the letting for Thursday of this week at which time we would have received bids on \$8 million highway construction work. One job, incidentally, was the Mark Twain Expressway in St. Louis. Missouri cannot continue highway construction work without assurance that reimbursement for the Federal's share will be forthcoming on time. In fact, it is going to be nip and tuck whether or not we have enough State money together with what Federal reimbursement we can receive between now and October to be able to pay contractors' estimates for the rest of this year. It seems to me that this is a moral commitment that the Congress must meet, in that they apportioned the money in 1958 and the States, with 40 years' experience with the Federal Government on highway work, have always received reimbursement from money apportioned.

Now, in regard to the second phase of our problem about the funds for the continuing Federal aid highway program, I call your attention again to the fact that the Congress in 1958 apportioned \$2½ billion to the Interstate System and increased the amount to the ABC system after it had received the States new estimates of cost of the Interstate System. Our new interstate completion estimate had increased considerably over the estimate originally used at the time the 1956 act was passed. This increase in the 1958 apportionment by the Congress assured the States, in my opinion, that the Congress intended to carry out the intent of the 1956 act, in which it stated that the Interstate System would be financed in 13 to 16 years. Now, I encounter considerable opinion that many Members of Congress are thinking the road

program could be slowed up. I sincerely believe that a slowdown is a mistake. The State highway departments have obtained personnel to carry out the program; contractors have increased their personnel and equipment to carry out the program; equipment people are geared to an increased program, as well as producers of necessary materials. Overshadowing all of the foregoing items is the plain fact that we need improved highways in this country in order to cut down the appalling number of killings each year on the highways, to reduce the great number of people who are injured and maimed for life, and to cut down the loss of property. These facts with the further fact that the highway program makes an overwhelming contribution to the peacetime economy of the country, as well as to the great need in times of defense, seem to justify the continuation of the present rate of highway construction.

I realize that the underlying problem of all of this is one of financing. Many suggestions have been made as to how the money should be raised. Our American Association of State Highway Officials have deliberately stayed away from suggestions on financing because of our lack of knowledge on this subject. However, I personally know that the suggestions have been all the way from a 1½-cent gas-tax increase to a complete financing from general funds. I further know that bond financing has been suggested. It, therefore, does seem to me that some compromise could be effected some way by which the critically needed highway program could be carried to a satisfactory completion within the time originally specified in the 1956 act.

I particularly appreciate this opportunity of expressing to you my thoughts on this matter.

With kindest personal regards.

Very truly yours,

REX M. WHITTON,
Chief Engineer.

Mr. SYMINGTON. Mr. President, several days ago there appeared a thoughtful and constructive editorial on this problem in the St. Louis Globe-Democrat.

I ask unanimous consent that excerpts from this editorial be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

The Missouri Highway Department planned to receive bids this week and next month on two projects to close the gap in the Mark Twain Expressway. Chief Engineer Rex M. Whitton says the department's entire State highway program must be considered in jeopardy.

The 41,000-mile interstate road project was intended to give the Nation by 1972 a gigantic network of superhighways, and to provide a shot in the arm to business economy in the various States.

The highway fund will be down to zero by October, says a Bureau of Public Roads spokesman. This must not happen.

The gasoline tax increase is the fairest method of collecting revenue for completion of the highway program.

Mr. SYMINGTON. Mr. President, there have been various proposals for supplementing the financing of the Federal highway program.

Last June I voted for an amendment, offered by the distinguished junior Senator from Oregon, to a corporate and

excise tax bill which would have provided for temporary increase in the Federal highway motor fuel tax in order to take care of this matter.

I also voted for the excise tax extension bill offered by the distinguished junior Senator from Tennessee.

As pointed out by the able Senator from Oregon, failure to act now on this highway construction program will be a serious blow not only to the prosperity but also to the security of the United States.

Therefore I urge that a highway bill which will permit the continuation of a program already underway be passed and sent to the President at the earliest possible date.

HIGHWAY CONSTRUCTION IN CONNECTICUT

Mr. BUSH. Mr. President, on Monday of this week the highway department of the State of Connecticut held in suspense all plans for further construction of Federal-aid highways, including projects on the National System of Interstate and Defense Highways.

The Department's action was reported in an article in the New Haven Register of Monday, August 3, which I ask unanimous consent to have printed in the RECORD at the conclusion of these remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUSH. Mr. President, Commissioner Howard S. Ives is quoted as saying that his Department's action was prompted by the failure of this Congress to accept President Eisenhower's recommendation for a temporary increase of a cent and a half in the Federal gasoline tax to keep the highway program on a pay-as-you-go basis.

Mr. President, I have joined with other Senators in voting for the temporary tax increase, although it has been vigorously opposed by some people and some affected interests in my State. I did so because I believe that, unpleasant as a tax increase may be, it is the only sound and practical solution to the crisis which confronts us in the highway program. Unfortunately, we did not prevail. At least, we have not prevailed so far.

Congress must not permit the national highway program to grind to a halt. I hope that the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate will act affirmatively, and will recommend legislation to meet this problem directly, and not evade it by "robbing Peter to pay Paul" proposals that would divert funds from general Treasury receipts.

EXHIBIT 1

[From the New Haven (Conn.) Register, Aug. 3, 1959]

ROAD UNCERTAINTY HALTS STATE HIGHWAY PLANS—FEDERAL FUND SITUATION CAUSES DELAY OF PROJECTS—RIBICOFF URGES ACTION BY CONGRESS

HARTFORD.—State Highway Commissioner Howard S. Ives today stopped any bids on

Federal aid highway projects until he is sure Federal funds will be forthcoming. Ives said he made his ruling because of the "uncertainty of the availability of Federal aid highway funds."

The highway department, he said, is postponing award, receipt, and advertisement of any more bids on projects.

Said Ives:

"This remains in force until such time as the department is assured that reimbursement for the Federal share will be forthcoming."

Ives said the department would go ahead with planning and engineering for the projects, however.

ROUTE 91 AFFECTED

Affected is the controversial Interstate Route 91 from the Connecticut Turnpike in New Haven through North Haven, Wallingford, and Hartford to the Massachusetts line: The circumferential route around Hartford, and the rest of Interstate Route 95 from New London to the Rhode Island line. Interstate Route 95 is the Connecticut Turnpike.

Ives said his action was prompted by congressional rejection of President Eisenhower's proposal to increase the Federal gasoline tax by a cent and a half to pay the Federal share of the program.

The President's proposal ran into what is considered virtual defeat in the House Ways and Means Committee last week.

Ives said his action affects all proposed interstate routes in the State as well as the primary and secondary road projects that involve Federal aid.

The interstate projects were to be financed by the Federal Government on a 90-10 basis, with Connecticut eventually picking up a tab for only one-tenth of the cost.

The primary and second projects were to be financed on a 50-50 basis.

Ives said that any bids received from now on will be returned unopened to the contractors.

"That does not mean that they are rejected," Ives said. "They are just deferred. We are returning them unopened until the whole situation is clarified."

Meanwhile at the Governors' conference at San Juan, P.R., Gov. A. A. Ribicoff said continued congressional failure to finance Federal subsidies for the Interstate Highway System would be a serious, shortsighted mistake. He urged the conference to take a vigorous stand on the issue.

At a meeting of the conference committee on Federal-State relations yesterday, which discussed both short- and long-term Federal highway financing, Ribicoff supported a move to set up a special committee to formulate a conference stand for congressional action during the session.

He also supported a compromise resolution calling for a Federal reimbursement of State expenditures on interstate highways made prior to 1956.

Labeling present congressional inaction as harmful to Connecticut, the Governor said "it would be shortsighted if we permit the program to be stalled."

Connecticut's mammoth highway program was proposed by Democratic Governor Ribicoff and approved by the 1959 legislature.

It calls for expenditure of \$522 million over the next 4 years. The interstate projects in the program are worth \$380 million. The State would eventually have gotten back 90 percent of this in Federal reimbursements.

The program was to be financed immediately with a \$346 million bond issue.

Highway department spokesmen could not say whether the State would go ahead with the bond issue. But it was not regarded as likely.

Such a bond issue without the guarantee of Federal reimbursement would be a heavy financial burden for Connecticut to bear.

During the legislative session Republicans objected to the proposed highway program on the ground that the Federal funds were in no way guaranteed.

The Governor was questioned at the time about the GOP charges at a news conference. He replied that the program would be cut short if the Federal aid was stopped.

But he added that it would be foolish not to go ahead with planning for the various projects and then have Congress approve the funds.

Today Representative A. Searle Pinney, Republican, Brookfield, the House minority leader, recalled the GOP warnings.

Pinney said Republicans had sought to include in the act a clause to provide reasonable assurance of Federal funds before State bonds were issued.

"Commissioner Ives is doing just what the Republicans said should have been done," Pinney said, "but the Democrats refused to accept our amendment."

The amendment was offered during debate on the highway spending bill.

"Under the Ribicoff approach to this thing the cost of the interstate program will go up tremendously because Connecticut must carry the bonds until reimbursed by the Federal Government," Pinney said.

"The Federal plan originally called for a payback in 11 or 12 years. Failure of Congress to increase the gas tax means that the payoff period will be extended to 17 or 18 years."

"This means that Connecticut faces the prospect of paying heavy interest charges for the additional 5 or 6 years."

KHRUSHCHEV'S IMPENDING VISIT

Mr. GRUENING. Mr. President, it is doubtful whether any great harm can come from the interchange of visits of Premier Khrushchev to the United States and of President Eisenhower to Russia. Some good may come out of it. But I feel a great deal of caution and reserve is highly desirable on the part of all of us before we hail this important step embodied in the exchange of visits of the two chiefs of state as the ushering in of a new era of friendliness and peace. The record of Soviet duplicity and brutality is too long and too current to justify any assumption that this would produce any alternation in the obvious policy of the Kremlin to conquer the free world.

I have recently finished reading one of the most important books on this subject that I think has ever been published. It is called "Protracted Conflict," and was written by a group of political scientists at the University of Pennsylvania. It is copyrighted by the trustees of the University of Pennsylvania, and is published by Harper & Brothers. It is one of the most scholarly analyses of the various methods by which the masters of the Kremlin hope to achieve their objectives. I would like to say that I consider it "must" reading for all Members of Congress, particularly now on the eve of Premier Khrushchev's visit. It is no less true today than it was in the days of our colonial forefathers that eternal vigilance is the price of liberty, and we have had plenty of experience to show

that alternations of apparent kindness and gestures of good will from Moscow merely mask sinister purposes. I do not wish by that to be understood in any way as disparaging what is obviously a constructive effort on the part of our President to break through the impasse that has so far resulted in many years of vain effort in lessening the tension between us, as representatives of the free world, and the totalitarian police state directed from the Kremlin. I hope time may prove me mistaken, but we had better keep our powder dry.

Incidentally, it might be well if the invitation to Premier Khrushchev included the suggestion that he travel one way, either coming or going, by way of Alaska. He has recently made a statement that the United States had shown its belligerent intent by ringing the Soviet Republics with military bases. We are acutely aware of the fact that in Alaska we can stand on the mainland of Alaska, or on several of our Alaskan islands, and view the headlands of Siberia with the naked eye.

The fact is that the numerous military bases in Siberia are as near to American soil, as near to Alaska, as any of our bases either in Alaska or in foreign countries are to the Russians.

I also think it is pertinent to call attention, at this point, to the public statement of Lt. Gen. Frank A. Armstrong, the commander in chief of the U.S. forces in Alaska, that—

It would take only two enemy bombers to put the Alaska bases out of action, and if these attacks were followed up by paratroops, Alaska would be out of action.

And he went further to say:

With Russians in the Fairbanks and Anchorage areas, President Eisenhower would have to decide quickly whether to bomb Alaska to save Chicago or leave the country open to close range attack.

Additionally, he pointed out that Alaska needed intermediate range ballistic missiles, and that "unless Alaska gets IRBM's soon, we are going to be in one hell of a fix."

The PRESIDENT pro tempore. The time of the Senator from Alaska has expired.

Mr. GRUENING. Mr. President, I ask unanimous consent to continue for 3 additional minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. GRUENING. General Armstrong pointed out that Alaska does not need intercontinental ballistic missiles to put his forces in range of Cairo and Australia but intermediate missiles "that will allow us to nullify those 26 Red bases in Siberia."

And he added this somewhat alarming but realistic comment:

The Nation's thinking is Northeast-oriented but the obvious and practical attack route to the United States is through Alaska. If Alaska does not get the missiles it needs soon, Alaska and the west coast are through; Seattle, Portland, San Francisco, and down the coast are done.

What he says is of the greatest pertinence, and I ask unanimous consent that the article from the Anchorage Daily Times, quoting General Armstrong's statement at a public dinner before the Association of Local Transport Airlines last Wednesday, July 29, be incorporated in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Anchorage Daily Times, July 30, 1959]

ALASKA WIDE OPEN TO ATTACK—ARMSTRONG SAYS TWO PLANES COULD DEMOLISH BASES

Two enemy bombers could put Alaskan bases out of action and leave Alaska and the west coast of the United States defenseless, Lt. Gen. Frank A. Armstrong, Jr., warned last night.

"It would take only two enemy bombers to put Alaskan bases out of action, and if these attacks were followed up by paratroops Alaska would be out of action," the commander of military forces in Alaska said as he spoke informally at a banquet of the Association of Local Transport Airlines.

The banquet was the final session of ALTA's quarterly meeting in Anchorage. The group moved to Fairbanks today to end its conference.

"With Russians in the Fairbanks and Anchorage areas, President Eisenhower would have to decide quickly whether to bomb Alaska to save Chicago or leave the country open to close-range attack," the general added.

Alaska needs intermediate range ballistic missiles, he said. "Unless Alaska gets IRBM's soon, we are going to be in one hell of a fix."

At present the Strategic Air Command can count on putting out of action only 8 of the 26 bases that threaten Alaska, the general said. Alaska has two base areas that could quickly succumb to atomic attack and leave Alaska wide open to invasion, he stated.

Armstrong said Alaska doesn't need intercontinental ballistic missiles to put his forces in range of Cairo and Australia but intermediate missiles "that will allow us to nullify those 26 Red bases in Siberia."

"The Nation's thinking is northeast-oriented but the obvious and practical attack route to the United States is through Alaska. If Alaska does not get the missiles it needs soon, Alaska and the west coast are through; Seattle, Portland, San Francisco, and down the coast are done," Armstrong stated.

The Air Force in Alaska is intended only to warn the United States of attack. Air Force fighters are expected to be able to knock down only one out of every four invading enemy aircraft.

"Alaska was built up through a series of crash programs and the next one will be when the Russians move up two squadrons of Badgers (propjet bombers) across the Bering Straits from Alaska," the general warned.

Mr. GRUENING. Mr. President, the numerous bases that we have erected around the world in Spain, in Morocco, in Saudi Arabia, in Iceland, in the Far East, at tremendous cost, are no doubt in the class of calculated risks. When the decisions were made to spend astronomical sums to establish them in a score of countries, it no doubt represented the best judgment of our military authorities at the time. But we must not delude ourselves that many of these bases are not built—figuratively speaking—on quicksand. We know that their

tenure is far from secure. We know that through rampant nationalism, Communist subversion, and other factors, we are likely to be asked to withdraw these bases. Indeed, that has happened even in the case of friendly countries, and has required the utmost effort and diplomatic finesse, as well as financial compensation, to prevent these decisions from going into effect. It is not an unfair statement to say that in the case of a number of foreign countries the United States is, in effect, being blackmailed to enable us to keep our bases there. We are paying through the nose. But when we build bases in Alaska, we are building them on the solid rock of American soil, surrounded by a 100-percent militantly patriotic American citizenry. It is utter folly for us not to make Alaska not only an impregnable bastion, which, in the view of the commanding officer of Alaska it is not, by any means, but to make it a great base both for defense and offense for the protection not merely of the United States, but of the entire North American Continent, and indeed of the Western World. It is as true today, even with the change in types of weapons, as it was when Billy Mitchell uttered his great wisdom nearly a quarter of a century ago, that: "He who holds Alaska holds the world."

I particularly urge our Armed Services Committee to investigate the Alaska military situation from the standpoint of General Armstrong's challenging statement.

PROVIDING FINANCES FOR THE NATIONAL HIGHWAY PROGRAM

Mr. WILEY. Mr. President, we recognize that the Nation's roadbuilding program is undergoing a real crisis.

Unfortunately, the failure of Congress to act early enough to provide financing for the national highway program is resulting in serious curtailment of construction.

As we know, the Ways and Means Committee has completed its hearings on the problem of highway financing. As I understand, the committee is now putting its conclusions into bill form.

I hope that the committee will not only take expeditious action in reporting a bill, but also that both the Senate and the House will follow through with early approval of an equitable method for financing the highway construction program.

Daily I am receiving an avalanche of messages from highway officials, workers, equipment suppliers, and others, stressing that the cutbacks due to lack of funds are being felt in local communities.

The Nation, I believe cannot afford to allow to stagnate such a vital program essential to providing us with a network of improved and expanded roadways for progress.

To illustrate the adverse repercussions which are now recurring as a result of lack of funds, I request unanimous consent to have a number of the messages received from individuals and officials

in Wisconsin printed at this point in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MILWAUKEE, WIS., August 4, 1959.

HON. ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.:

The cancellation of highway contracts in Wisconsin due to lack of Federal funds is already having some far-reaching economical impact. To be specific our company has canceled a quantity of machines on order at the factories we represent and we have curtailed plans to expand our operation in the Green Bay area. This was a committed program and we along with the entire contracting industry based our plans upon it. The results of inadequacy funds could be financially disastrous to many in our industry.

MILWAUKEE, WIS., August 4, 1959.

Senator ALEXANDER WILEY,
Washington, D.C.:

Urge your immediate support of legislation to assure continuation of Federal highway program. Our 4,000 Wisconsin subscribers, who employ many more thousands of people in the construction industry, are very interested in your stand on this. Please wire your attitude on this vitally important legislation.

WESTERN BUILDER.

MILWAUKEE, WIS., August 4, 1959.

Senator ALEXANDER WILEY,
Washington, D.C.:

Failure of Congress to enact legislation to adequately finance the Federal highway program will immediately result in a general layoff of highway construction workers and seriously affect the economic condition in all fields of highway work in Wisconsin including materials and equipment suppliers. Our highway industry is now geared to do the job as scheduled. Curtailment of the work will disrupt carefully built-up personnel and plant capacity over the past several years to plan and build this Federal highway system. As of this date our construction company is faced with laying off 80 percent of its payroll.

MILWAUKEE, WIS., August 4, 1959.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.:

The daily press is carrying stories about the financial crisis in Federal aid appropriations for highway work. Milwaukee County is and has been for some time engaged in the constructions of an expressway system which will also be a part of the Interstate System.

Completion of the system on the local level is in large part a responsibility of the county board and its highway committee. If Federal funds are to be stopped as is indicated in the press it will create a crisis locally leaving many projects uncompleted with bridges standing isolated, streets partially paved, projects upon which grading has been performed and no paving placed and moving the entire schedule of expressway construction back by many months. As you no doubt realize the local reaction will not be good. Milwaukee County is not depending on Federal funds alone. The county as already provided \$28 million for this project since 1956. Realizing that matters of Federal finance are subjects to be considered and determined by the Congress it is not our purpose to tell your honorable body or its individual Members how such problems

should be solved but we do wish to point out the seriousness of the situation that will develop if Federal funds for highway construction are at this time drastically reduced and we trust that the Congress and the administration will be able to arrive at some measure of financing which will permit the Federal aid road program to get back on schedule.

Respectfully submitted.

RICHARD J. WHITE,
LEON SZYMANSKI,
FRANK G. GREGORY,
WILLIAM F. O'DONNELL,

Milwaukee County Highway Committee.

MILWAUKEE, WIS., August 4, 1959.

HON. ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.:

Eleven million dollars in highway contracts awarded at the last State highway letting have been held up due to lack of Federal funds. The next letting scheduled for August 18 has also been canceled. The impact on the contracting industry and all those allied to it will be staggering. This industry geared itself to a committed program and many contractors purchased equipment on time payments based upon a projected volume of work. It is imperative that the Federal Government stand back of their committed program and find some solution to make funds available. The savings realized in reduced loss of life and property damage alone justifies continuation of this program and, if for no other reason, its significance should outweigh partisan politics.

MADISON, WIS., August 5, 1959.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D.C.:

The safety and welfare of all highway users is seriously affected by lack of congressional action on Federal aid highway bill. I earnestly solicit your support of the highway program and your opposition to any efforts to delay completion of the Interstate System.

THE VICE PRESIDENT'S SUCCESSFUL COMMUNIST-ORBIT TRIP

Mr. WILEY. Mr. President, today Vice President NIXON returns from one of the most successful trips in recent times by an envoy of the free world to ease East-West tensions. During the 10-day tour, the Vice President was almost continuously "under fire." In practically all circumstances, however, he gave a good account of himself.

As the Vice President arrives home, he deserves, I believe, the plaudits, congratulations, and gratitude of the country and the free world for a very difficult job well done.

During the trip, first, he handled himself admirably well in the rough-and-tumble debate with Khrushchev; second, he gave constructive refutations to repeated Soviet criticism of U.S. foreign policy; third, he succeeded in making a great many person-to-person contacts with the Russian people confirming, among other things, that a deep-seated friendship for America still exists in the Soviet Union, despite years of anti-American propaganda; fourth, he clearly laid it on the line to the Kremlin leaders—being firm but not belligerent—that

we are dedicated to finding a peaceful settlement for East-West differences but, at the same time, we will not be pushed around.

Around the globe, nations are breathing a sigh of relief at the successful, peaceful, and perhaps promising conclusion of what could have been a dangerous and explosive encounter by the Vice President, not only with Khrushchev, but also with Soviet-planted hecklers on his tour.

The best evaluation of the merits of the Nixon-to-the-Communist-orbit trip probably has been the decision of the President—based on results of the Vice President's trip—to agree to an exchange visit with Premier Khrushchev.

We cannot expect, of course, that the Vice President's trip, or even the heads-of-state interchange, will automatically and miraculously resolve all East-West problems. We recognize, however, that it is better, safer, and more civilized to be exchanging words than nuclear-war-headed missiles. The ultimate objective, of course, is real, concrete progress toward peace.

As a forerunner of the Eisenhower-Khrushchev visits, the trip of Vice President NIXON may well have opened a new era of direct exchanges between the West and Communist countries.

As we proceed into this new venture, let us remain alert and "keep our powder dry."

To be mesmerized into a sleep because of a desire for peace might prove a very serious mistake. We are dealing with a dangerous force—communism—active on every continent.

On the other hand, we are hoping that the Communists will get a new viewpoint, assume a new sense of responsibility, and demonstrate, in deeds, a willingness to take concrete action to lessen world tensions.

RESULTS OF PRESIDENTIAL POLL IN WISCONSIN

Mr. PROXMIER. Mr. President, Wisconsin has often been a critical State in presidential preference primaries. I think the foremost recent one occurred in 1944 when Wendell Willkie, who was the Republican nominee for the Presidency, ran in the primary in Wisconsin and was defeated. That defeat ended the career of Wendell Willkie.

It is very possible that similarly critical primaries may be held in Wisconsin next year. I have just concluded a questionnaire poll of Wisconsin among both parties. I received a very heartening number of replies to my questionnaire, and I am going to ask that the results of that questionnaire be included in the RECORD.

Before I do so, however, I desire to make clear that the results of this poll in no way change my determination to remain completely neutral in any contest which might develop in Wisconsin between Senator KENNEDY and Senator HUMPHREY. Both are fine U.S. Senators, excellent prospective candidates, and are well qualified for the Presidency. I

wish them both good hunting and good luck.

I ask unanimous consent that a press release in connection with this poll and a copy of the tabulation of the results of the poll be printed in the RECORD at this point.

There being no objection, the press release and results of questionnaire poll were ordered to be printed in the RECORD, as follows:

Senator WILLIAM PROXMIER announced Wednesday that the results of a poll he had just completed throughout Wisconsin showed Vice President NIXON winning overwhelming Republican support and Senator KENNEDY showing decisive Democratic strength.

PROXMIER said, "We mailed our questionnaire to 10,000 Wisconsin citizens, selected geographically to represent every one of the 71 Wisconsin counties in precise proportion to population. We also picked a sample of urban and rural respondents to reflect the exact urban-rural population division in Wisconsin."

The Republican responses favored NIXON by more than 4 to 1 (82.1 percent) over Rockefeller. NIXON carried every one of Wisconsin's 10 congressional districts. In each of them his margin was better than 2 to 1. He received 84.4 percent of the rural vote and 81.5 percent of the urban votes. All responses counted were received before the NIXON trip to Russia.

Respondents voting for one of five leading Democrats gave KENNEDY 42.5 percent, STEVENSON 29.5 percent, HUMPHREY 17.3 percent, SYMINGTON 6.5 percent, and JOHNSON 4.2 percent. KENNEDY led in each of Wisconsin's first eight congressional districts. HUMPHREY led by better than a 2 to 1 margin over his nearest competitor in the 9th and 10th. STEVENSON was second to KENNEDY in each of the first seven Wisconsin Districts and second to HUMPHREY in the 10th.

KENNEDY and HUMPHREY both received 32 percent of the rural vote cast for Democrats.

PROXMIER qualified the results of the poll in this way: "While I think the result of this poll is an accurate overall indication of relative strength today, it is likely that if a primary contest should develop both Rockefeller and HUMPHREY would do better next April 6. NIXON has the advantage of being far better known to Wisconsin voters than Rockefeller, an advantage that would at least partly fade in the event of a vigorous campaign between the two."

"The KENNEDY advantage over HUMPHREY outside of the 9th and 10th (northwestern) Wisconsin Districts might also be challenged by a vigorous campaign that widely promoted the HUMPHREY name. An interesting result of the poll, however, is the very decisive advantage KENNEDY enjoys over HUMPHREY in each of the districts in which KENNEDY leads. The KENNEDY margin varies from nearly 2 to 1 in the Third (southwestern) to more than 5 to 1 in the Fourth and Fifth (Milwaukee). Similarly, HUMPHREY leads KENNEDY by better than 2 to 1 in both the 9th and 10th Districts (Northwestern)."

"This suggests that even though a campaign might change the proportionate advantage of one or the other Democratic contender, as conditions now stand it will take a very vigorous HUMPHREY campaign to prevent a KENNEDY victory by a 24 to 4 margin, assuming Wisconsin receives the same number of delegates in 1960 as in previous years, and they are distributed as before—2 to each of the 10 districts and 8 at large."

"The results of this poll in no way change my determination to remain completely neutral in any contest that might develop

in Wisconsin between KENNEDY and HUMPHREY. Both are fine U.S. Senators, excellent prospective candidates, and are well qualified for the Presidency. I wish them both good hunting and good luck."

Results of the Wisconsin poll are attached.

QUESTIONNAIRE RESULTS (QUESTION NO. 3)

Whom do you favor for President in 1960 (Hubert Humphrey; Lyndon Johnson; John Kennedy; Richard Nixon; Nelson Rockefeller; Adlai Stevenson; Stuart Symington)?

I. Percent of total party vote:

Candidate	Percent of Democratic vote	Candidate	Percent of Republican vote
Kennedy.....	42.5	Nixon.....	82.1
Stevenson.....	29.5	Rockefeller.....	17.9
Humphrey.....	17.3		
Symington.....	6.5	Total.....	100.0
Johnson.....	4.2		
Total.....	100.0		

II. Percent of party vote by urban and rural breakdown, Democratic:

Candidate	Percent of urban Democratic vote	Percent of rural Democratic vote
Kennedy.....	46.7	32.0
Stevenson.....	31.6	24.4
Humphrey.....	11.3	32.0
Symington.....	6.5	6.5
Johnson.....	3.9	5.1
Total.....	100.0	100.0

III. Percent of party vote by urban and rural breakdown, Republican:

Candidate	Percent of urban Republican vote	Percent of rural Republican vote
Nixon.....	81.5	84.4
Rockefeller.....	18.5	15.6
Total.....	100.0	100.0

IV. Percent of party vote received, by congressional district:

Candidate	Percent of vote cast for top 3 Democrats ¹	Candidate	Percent of vote cast for top 2 Republicans
1st District (southeast Wisconsin; biggest city, Racine)			
Kennedy.....	44.1	Nixon.....	83.3
Stevenson.....	39.7	Rockefeller.....	16.7
Humphrey.....	16.2		
2d District (south central Wisconsin; biggest city, Madison)			
Kennedy.....	51.0	Nixon.....	78.6
Stevenson.....	38.5	Rockefeller.....	21.4
Humphrey.....	10.4		
3d District (southwest Wisconsin; biggest city, La Crosse)			
Kennedy.....	43.8	Nixon.....	93.1
Stevenson.....	33.3	Rockefeller.....	6.9
Humphrey.....	22.9		

Candidate	Percent of vote cast for top 3 Democrats ¹	Candidate	Percent of vote cast for top 2 Republicans
4th and 5th Districts (Milwaukee County; biggest city, Milwaukee)			
Kennedy.....	54.2	Nixon.....	79.5
Stevenson.....	35.8	Rockefeller.....	20.5
Humphrey.....	10.0		
6th District (eastern Wisconsin; biggest cities, Oskosh and Sheboygan)			
Kennedy.....	46.0	Nixon.....	83.3
Stevenson.....	38.1	Rockefeller.....	16.7
Humphrey.....	15.9		
7th District (central Wisconsin; biggest city, Wausau)			
Kennedy.....	47.8	Nixon.....	80.0
Stevenson.....	28.3	Rockefeller.....	20.0
Humphrey.....	23.9		
8th District (northeast Wisconsin; biggest city, Green Bay)			
Kennedy.....	69.1	Nixon.....	82.4
Humphrey.....	16.2	Rockefeller.....	17.6
Stevenson.....	14.7		
9th District (northwest Wisconsin; biggest city, Eau Claire)			
Humphrey.....	57.7	Nixon.....	72.7
Kennedy.....	23.1	Rockefeller.....	27.3
Stevenson.....	19.2		
10th District (northern Wisconsin; biggest city, Superior)			
Humphrey.....	54.0	Nixon.....	91.3
Stevenson.....	25.4	Rockefeller.....	8.7
Kennedy.....	20.6		

¹ In computing percentage only the votes cast for the 3 Democrats receiving the largest proportion of the vote were included.

SENATORS MURRAY AND MANSFIELD AND A PROGRAM FOR CONSERVATION

Mr. CHURCH. Mr. President, on March 24, when there was transmitted to the Congress a long overdue program for the national forests, it was welcomed here in the Senate because of the great interest we have shown in developing our national forests. The Senator from Montana [Mr. MANSFIELD] with his customary wisdom, had this report referred to both the Senate Agriculture and Forestry Committee and the Senate Committee on Interior and Insular Affairs.

I have noticed a large number of editorials and stories giving recognition to the role that we in the Senate have played in bringing about this development. In particular, I am pleased that the press has noticed the hard work and constant effort on the part of the Senators from Montana [Mr. MURRAY and Mr. MANSFIELD] in seeking to promote the wise use of our forest and range resources. They are men of vision, action, and leadership.

In a 1956 report the senior Senator from Montana [Mr. MURRAY] asked all of the agencies to submit adequate long-

range programs to the Congress on natural resource programs. This report pointed out that the Congress had found it necessary to increase appropriations substantially over the amounts in the executive budget. The report also pointed out that inadequate consideration was given to the business-type nature and the revenue-producing potential of the operations of our natural resource agencies. Again in 1958 the senior Senator from Montana [Mr. MURRAY] reiterated the need for full development of public resources in a report bearing that title. With his customary vigor he followed this with a special study prepared for the Montana delegation by the Forest Service on one facet of the problem, developing the forest resources of Montana. During the fall of 1958 as chairman of the committee, he directed a review of special timber-sale problems in the western regions of the Forest Service. The Senator from Montana [Mr. MURRAY] has asked Secretary Seaton to submit a long-range program for the Bureau of Land Management and the Fish and Wildlife Service.

Thus, I think it is both clear and proper to state that not only the senior Senator from Montana, but all of the members of the Interior and Insular Affairs Committee, regardless of party, have shown a constant and sincere interest in defining the goals that we should have before us in resource management.

The junior Senator from Montana [Mr. MANSFIELD] has sponsored Senate Joint Resolution 95 to accelerate the reforestation programs on public and private lands. He has helped greatly to achieve needed funds for forest roads and highways and for conservation programs. He is leading efforts to provide vitally needed funds.

As good as it is to have this long-range program, such as Secretary Benson submitted, it must be considered within the framework of the facts as they exist in the record. Programs are only statements of desire and what counts is what has been done and what will be done to fulfill these desires. We could be much further along on the road to meeting these goals if during the last 6 years Secretary Benson and his associates had earlier obtained a realistic picture of the need for national forest development. His report says that an adequate system of roads and trails is essential to proper management of forest lands. But in the 83d, 84th, and 85th Congresses he has opposed legislation which would increase the authorization level for forest roads and trails. Thus today we only have 19 percent of the roads needed to meet long-term obligations. The administration's budget for this year called for supplying only \$24 million of the current \$30 million road authorization.

Let us consider Operation Outdoors, the \$85 million program to develop recreational facilities on the national forests. This year, according to the plan the Secretary announced, \$19,500,000 should be requested to meet the mounting demand for recreation out in our forests.

His budget request is for only \$8,500,000. Last year when he should have sought \$15,500,000, the Secretary asked for only \$8 million. Fortunately, last year with bipartisan unanimity, the Congress made \$10 million available for this important program. In his report, the Secretary states that almost 6,000 dwellings and related service buildings are needed to properly serve the national forests. He says that to facilitate resource management these needs must be met "at an increased rate in the short-term period." This year's budget for this program has been cut back in the budget by \$2,375,000. During the last 6 years there has been available for range revegetation and reforestation the authorization in the Anderson-Mansfield Act. In order to restore desirable vegetation and control poisonous plants on 4,400,000 acres and to seed and plant trees on 3,300,000 acres, which is called for in this report, all the Secretary had to do was to request the funds authorized by this act and we could be well on the way toward a solution.

The story is the same in each and every conservation program. The administration's response to leadership is too often a brochure followed by an inadequate budget. The Senators from Montana [Mr. MURRAY and Mr. MANSFIELD] have not been deterred—they have fought for a proper conservation budget. The scales they use balance the needs of our growing population against the condition of our natural resources.

On Monday the Senate passed by a vote of 70 to 0 a supplementary appropriation bill which includes \$27 million to get the "Program for the National Forests" underway. It was pointed out when this bill was before us that the actual increase over 1959 funds was \$12,500,000. The Murray-Mansfield team deserves real credit for the constructive way they worked with two other great conservation Senators—the Senator from Arizona [Mr. HAYDEN] and the Senator from Mississippi [Mr. STENNIS] to bring this about. Their statements when the bill was before the Senate demonstrate more completely than I can how they reinforce each other while complimenting others for the work that has been done.

The contributions the senior Senator from Montana [Mr. MURRAY] has made toward promoting conservation are legion. The junior Senator from Montana [Mr. MANSFIELD] has constantly stood shoulder to shoulder with him in this conservation battle.

I am pleased to see the Great Falls, Mont., Tribune of July 26 call attention to their constructive efforts. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WESTERN SENATORS PUSH SPEEDUP OF NATIONAL FOREST DEVELOPMENT

Montana interests in many fields are directly involved in the move of western Senators to push for an immediate appropriation to start in the current fiscal year a

national forests conservation development program which the Agricultural Department has recommended for 1960. Senators MANSFIELD and MURRAY, both active advocates of the earlier start, report that 22 western senators have agreed to support the speedup idea.

Whether or not this effort succeeds, the projected program seems pretty certain of passage in 1960. It includes a speedup in construction of access roads to timber and tree planting and involves most every phase of developing and conservation. It would cost the Federal Government an estimated \$3,400 million over a 12-year period. This however, would be a profitmaking investment by the Government. Forest Service officials say the cost would be more than offset by revenues from timber cut alone on the Federal forests.

The impact this program will have in Montana will depend in no small part on the manner in which we prepare to take advantage of it.

As Ross A. Williams, dean of forestry school, MSU, pointed out in a Tribune guest editorial a few weeks ago, we in Montana have scarcely touched the greatest potential that lies within our timber industry.

Our present end product still is mainly lumber—plain boards, dimension stock and timbers. Dean Williams cited some Montana examples, however, which illustrate the real development potential. Several years ago one medium-sized mill decided to produce instead of plain lumber some of the essential parts used in many of our modern homes. It tripled its man-hour requirements per thousand feet of lumber handled, and the income from its product in similar manner.

There is a varied field for processing development in Montana and a need for a lot more forest research. Some of the needed research will be supplied by the Federal Government and some by private industry. The State's only forest experiment station is at the university forestry school at Missoula.

Its budget is too small for the job it could and should do.

SUPPLEMENTAL APPROPRIATION BILL, 1960—ADDITIONAL CONFEE

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senator from New Mexico [Mr. ANDERSON] be included among the number of conferees heretofore designated to represent the Senate on the bill (H.R. 7978) making supplemental appropriations for the fiscal year ending June 30, 1960, and for other purposes.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). Without objection, it is so ordered.

THE NEED FOR LABOR REFORM LEGISLATION

Mr. GOLDWATER. Mr. President, I learned a short while ago with a great deal of interest that the President intends to go on television tomorrow night to discuss with the people of the country the need for good labor reform legislation. I feel this is a very timely appeal on the part of the President.

After 2½ years of service on the McClellan committee, which has been investigating the irregularities in regard to labor and management dealings, I have

come to the full conclusion that the proposed legislation now being considered, which has come from the Committee on Education and Labor in the House of Representatives, is totally inadequate. It is a much weaker bill than that which was passed by the Senate, and the Senate bill was weak enough.

Mr. President, every day I live I become more proud of the one dissenting vote which I cast, when the Senate passed a bill which completely ignored 2 years of hearings before the McClellan committee.

For instance, there was nothing in the bill to prevent a continuation of the secondary boycott, which, by the way, was prohibited by the Taft-Hartley Act. That was overruled by the National Labor Relations Board, and the decision was sustained by the Supreme Court, which has negated the clause in the Taft-Hartley law. Secondary boycotts are now allowed.

There is no effective stopping of black-mail picketing in the bill which was passed by the Senate, nor is there in the bill now before the House of Representatives.

While the House of Representatives does seek to go a step further than we dared to go in taking care of the no-man's land or the States rights cases, the bill still will not effectively meet the challenge.

Mr. President, those are only three of the areas in which the McClellan committee has disclosed the power which has been used by men like Jimmy Hoffa to force their will upon the country.

Mr. President, another thing the Senate deleted, which the House has to some measure attempted to resurrect, is the bill of rights. We destroyed the McClellan bill of rights. If Senators do not think this is important, I ask them to recall to their memories what happened in Los Angeles a short time ago, when three members of the International Association of Machinists were discharged from their union because they dared speak for the right-to-work resolution in California. The president of that international union, in sustaining the discharge, recognized the right of these men under the Constitution to freedom of speech, but he said that when it came to discussing union matters they could not be discussed if it were against union policy.

Mr. President, we had an effective declaration with regard to freedom of speech in the McClellan bill of rights but unfortunately it was destroyed by the U.S. Senate. I hope the House will be able to remedy that situation.

Mr. President, all the proposed legislation we are discussing does not get at the real trouble. We have been discussing the symptoms and not the disease.

The other day, when I was talking on this subject before the National Press Club in Washington, D.C., I outlined some of the powers to which I refer, and I ask unanimous consent that these be printed in the RECORD at this point in my remarks.

There being no objection, the list was ordered to be printed in the *RECORD*, as follows:

1. Immunity under the antitrust laws.
2. Practically full immunity to injunctions in the Federal courts.
3. Immunity from taxation.
4. Power to compel employees to join unions as a condition of employment.
5. Right to represent all the employees as exclusive bargaining agent even if only a bare majority has selected the union as such agent.
6. Power to compel employers to bargain collectively.
7. Although not required to be incorporated, their members are free from the liability for the debts of the union, unlike the members of other unincorporated associations.
8. Unions are not liable for the acts of their individual members in contrast to other types of unincorporated associations.
9. Employers are prohibited from discriminating in hire and tenure of employment against employees because of their union membership of their union activities, including participation in picketing and strikes. Employers, however, are forbidden to engage in lockouts excepts in two unimportant types of situation.
10. Unions have the right, during collective bargaining, to compel the employer in some circumstances, to disclose his financial books and records, but there is no corresponding obligation on unions.
11. Unions, in some situations, have a legal right of access to the employer's property, the right to compel him to make his property available for use by the union, and the right to invade the privacy of employees who are not union members and sometimes even against their wishes.

Mr. GOLDWATER. Mr. President, I wish to invite the attention of my colleagues to a few of these items.

The union movement today has immunity under the antitrust laws; practically full immunity to injunctions in the Federal courts; immunity from taxation; the power to compel employees to join unions as a condition of employment; and the power to compel employers to bargain collectively. Unions are not liable for the acts of their individual members, in contrast to other types of unincorporated associations.

Mr. President, until this Congress or some other Congress gets at the disease and forgets about flitting around with the symptoms, we will be only fooling the American public. I think it is high time that the President of the United States went before the people to tell them what is needed in a labor bill.

The PRESIDING OFFICER. The time of the Senator from Arizona has expired.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that I may proceed for an additional 3 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. GOLDWATER. I will yield to the Senator in a moment.

Mr. President, what is needed in a labor reform bill? I know every time the junior Senator from Arizona stands up

to talk on the matter he is treated as radioactive in the field of unions.

I have no interest in destroying unions. I think I have a deeper interest in the labor movement, probably, than most Members of this body, because I have been an employee and an employer all of my life, and I think I know the problems.

Mr. President, I wish to tell Senators that the union movement of this country has no more right to power above and beyond the Federal Government than had the corporate movement at the turn of the century. We must by legislation level out these powers. That is all the people ask. That is all I ask. That is all the union members and the workers everywhere ask. We all ask that the powers be equalized, so that what is good for one person is good for the other person.

The labor bill as it is now before the House of Representatives is traveling under a false name. It is not a labor reform bill. If its sponsors want to call it a labor reporting bill, I can go along with that title, because, Mr. President, its labor reporting provisions are better than those of the Taft-Hartley law. In that respect, it is a better bill. It is not a labor reform bill, however. There is nothing in the bill as it is now before the House of Representatives which in any way would prevent James Hoffa from doing what he does with the economy of the country. There is nothing in the bill to prevent Walter Reuther from doing what he does with politics in this country. There is nothing to restrain the use of power.

Mr. President, the people of the United States are awakening to the problem, thanks to the effort of Mr. Robert Kennedy, the chief counsel, who has appeared on two television shows. My colleagues know the need for effective legislation. Editorials which I receive from day to day reflect this awakening.

Mr. President, so that my colleagues may know what the press of the country think of these labor bills, I ask unanimous consent that several editorials on the subject be printed in the *RECORD* at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the *RECORD*, as follows:

[From the *Clay* (W. Va.) *Merchant*, July 1, 1959]

PROGRESS REPORT ON LABOR LEGISLATION
(By Ralph Robey)

To speak of progress on labor legislation may appear as unwarranted. Actually it is nothing of the kind. A bill has been passed by the Senate and the subject is now being considered by the House Labor Committee. There will be some bill reported out of the House committee, and it then will be discussed, probably at considerable length, on the floor.

The Senate measure, the so-called Kennedy bill, was passed with only one opposition vote. That was by Senator GOLDWATER, Republican, of Arizona. During the Senate debate, McCLELLAN, Democrat, of Arkansas, the chairman of the committee investigating labor and management, offered

several amendments to strengthen the bill. One, which came to be known as the bill of rights, was adopted but later was materially watered down. The bill as it came out of the Senate, therefore, was weak and far from what is needed.

The AFL-CIO has come out against the bill, claiming it is antiunion. Whether this is an independent judgment or is the result of needling by the Teamster chief, James Hoffa, is not known. At least Hoffa made the charge that Meany, president of the AFL-CIO, was not protecting labor.

The U.S. Chamber of Commerce has stated publicly that it would prefer to have no labor legislation rather than the Kennedy bill. This view is based upon the chamber's belief that the bill is so lacking in force that it could accomplish nothing significant in meeting the labor problem.

The NAM also is of the opinion that the Kennedy bill is inadequate, but it has not indicated that it would prefer nothing. Rather, the NAM has continued to emphasize that the bill needs to be strengthened, and apparently believes that this is legislatively possible.

No one yet knows, of course, what will be reported out of the House committee. But no one believes that a really strong bill can come out. This is because the House committee is strongly pro-labor. The chairman, GRAHAM BARDEN, Democrat, of North Carolina, is a conservative, and knows what should be done, but there is relatively little that he can accomplish with the membership of his committee. It is generally assumed, therefore, that the bill which comes out will be about in line with the Kennedy bill, and perhaps even little less adequate.

What, specifically, is lacking in the Kennedy bill?

First, it does not deal with sufficient clarity with secondary boycotts and coercive picketing. The present Taft-Hartley Act prohibits secondary boycotts, but the prohibition has become meaningless largely as a result of decisions by the National Labor Relations Board. Much the same is true with coercive picketing.

Second, the bill does not touch the problem of compulsory union membership, which is a principal source of the monopoly power of labor union leaders and their monopolistic practices. This is a difficult problem, but it must be solved if we are to eliminate the double standard now prevailing as between labor and management.

Third, no real answer is given to what is known as no man's land, the area where the National Labor Relations Board refuses to handle a dispute, and where the States, because of decisions of the Supreme Court, are not permitted to take action.

The original Kennedy bill met this issue by providing that the NLRB must handle all cases, but this was drastically weakened by amendments and the resulting provision will do nothing to solve this most important problem.

Finally, no mention is even made of the use of union funds for political purposes and political activities. Again, there already is a statute on the books prohibiting such use of funds by unions and by business organizations, but the unions pay little or no attention to the prohibitions.

This does not mean that there's nothing good in the Kennedy bill. All it signifies is that a bill, as stated earlier, is inadequate to meet the labor problem.

How much can be done on the floor of the House to convert the measure which is reported out of the committee into a real labor bill is an open question. Little can be hoped for unless the public lets its Congressmen know that this is the year when we must have real labor reform. If we do not get

such legislation this year, it will be a long, long time before we have another opportunity.

[From the Springfield (Mass.) Free Press, July 4, 1959]

COURAGE NEEDED

The St. Louis (Mo.) Post-Dispatch is a famous newspaper which always has been friendly to the cause of organized labor. So something it recently said about pending Federal labor legislation is of marked significance.

"The public interest," observes the Post-Dispatch, "does not demand a union-busting bill, but it does demand a measure which effectively guarantees union democracy, makes union leaders more directly answerable to the rank and file, and corrects the abuses so impressively brought out by the McClellan investigation."

It then deals with certain loopholes and defects in the labor bill which passed the Senate. The bill's language is loose, for one thing, and leaves wide open room for evasions. The provision dealing with "blackmail" picketing is weak—much weaker, for instance, than that advocated by Secretary of Labor Mitchell. And the means the law provides for enforcing the bill of rights that it is supposed to guarantee the rank and file of union members leaves a great deal to be desired. Workers who felt their rights were infringed would have to file suit in the courts in an effort to obtain redress—an expensive and time-consuming stratagem that is obviously beyond the resources of most union people.

The Post-Dispatch concludes: "There are, no doubt, other respects in which the Senate bill could be improved without converting it into a union-busting measure. The secondary boycott, picketing and bill-of-rights enforcement clauses seem to us the most important. We hope the House will tackle them courageously despite political pressure from the unions."

This is a moderate view—and, to repeat, it comes from a long-time friend of labor. The country both needs and deserves a better, stronger bill than that passed by the Senate.

[From the Chicago American, July 19, 1959]
WHO IS MAKING LABOR LAWS?—SHOWDOWN IN CONGRESS

Having completed 2½ years of hearings with a final questioning of James R. Hoffa, the Senate Rackets Committee chairman, Senator JOHN McCLELLAN, Democrat, of Arkansas, expressed these unavoidable conclusions:

"No reform, cleanup, or improvement of these conditions (horrifying corruption in the Teamsters Union) can be expected while the international union remains under the leadership and dominant influence of its provisional president, James R. Hoffa.

"Notwithstanding Mr. Hoffa's promises and assurances to the committee, he has failed and still refuses to get rid of high officials in the union.

"These known criminals and disreputable characters have in many instances betrayed the trust of the membership which it was their duty to protect and faithfully represent. They have engaged in racketeering practices and committed extortion."

Ordering Hoffa to put an end to the criminality has been useless because, as Senator McCLELLAN pointed out, Hoffa himself is the fountainhead of this corruption.

Hoffa's persistence in lawbreaking, said McCLELLAN, "challenges the integrity and the very supremacy of our Government," which is a Senator's way of saying that Hoffa is making his own law as he goes along, and the

U.S. Government has been letting him get away with it.

So now that we know so definitely where Hoffa stands, where does the U.S. Government stand?

The branch of the U.S. Government most immediately concerned is the Congress, and it stands shifting its feet in timid indecision.

The Senate has passed the Kennedy-Ervin bill, which would not get Hoffa out of the Teamsters or inconvenience him in any important way, and the House Labor Committee has been struggling to put together a bill of its own.

A sizable segment of the committee has been interested chiefly in devising a measure that would look satisfyingly tough to the general public without actually regulating labor practices.

Oddly enough, it is not Hoffa this group is afraid of primarily, it is the bosses of the AFL-CIO.

They were so disgusted with the corruption in the Teamsters Union under Dave Beck that they booted the union out of their organization, but they're still pretending to themselves, notwithstanding the Rackets Committee's conclusive evidence to the contrary, that labor can do its own cleaning up.

They don't want a real labor reform bill, and Congressmen who tremble at the sound of their voices are trying to duck out of passing one.

Another segment of the House Labor Committee has been trying to make the measure strong enough to protect the union members against having their dues appropriated and their rights ignored and also to protect the public against such cynical invasions of its rights as racket picketing.

The committee agreed on a measure Friday and will send it to the House floor next Wednesday.

The evidence produced by the Rackets Committee's hearings in the last 2½ years has proved beyond argument that the labor movement has been infiltrated by gangsters, thieves, and blackmailers.

It has shown that labor leaders are armed by present law with the arbitrary power to destroy businesses that refuse to obey their orders and to prevent individual Americans from making a living.

The committee's hearings have shown that present laws make it possible for Hoffa and his criminals to flourish. They leave the way open for Hoffa and Harry Bridges, the pro-Communist boss of the Nation's longshoremen, to unite and shut down all the Nation's industries by halting transportation.

Unfortunately, the bill drawn up by the House committee seems to be even feeble than the Kennedy-Ervin bill passed by the Senate. House Members who feel it is their duty to represent the public, and not the labor bosses, must make a determined fight on the House floor to amend some real power into the bill.

If the country gets an effective labor reform law, the cost to the taxpayers of the McClellan committee hearings will have been an excellent investment. If it doesn't, the money will have been wasted.

For our part, we don't see how any Member of Congress who believes in common honesty and the protection of constitutional rights can fail to vote for a strong and just law to control labor-management relations.

[From the Chicago Tribune, July 20, 1959]

REAL LABOR REFORM

The labor reform bill passed by the Senate was a poor, weak thing, and now the House Labor Committee has completed action on a bill that is even weaker. The so-called

bill of rights for union members has been watered down so that it would do little or nothing to improve internal affairs in unions. The committee refused to write stricter regulations against secondary boycotts and racket picketing.

On the whole, the bill is said to be satisfactory to union leaders, which means it will do nothing to end the evils exposed by the Senate Rackets Committee.

Republicans and southern Democrats will do their best to strengthen the bill when it reaches the House floor, probably on Wednesday. The success or failure of these efforts will show to what extent the House has been taken over by Meany, Reuther, Hoffa & Co.

It will not be sufficient to enact a law requiring union officials to file a statement with the Secretary of Labor certifying that they are not stealing much from the members. The revelations of the McClellan committee have convinced all but the dumbest union members and the most venal union leaders that some reforms are necessary. Even newspapers like the St. Louis Post-Dispatch and the Nashville Tennessean, which are suckers for most socialist-labor ideas, are demanding a tougher labor bill.

Every citizen should watch the voting record of his Congressman on this issue.

[From the Belmar (N.J.) Advertiser, June 25, 1959]

THE PUBLIC BE DURNED

If the Congress really is interested in passing a labor bill in the public interest, it should consider the Barden bill, now bottled up in the House Labor Committee.

Unlike the Kennedy bill, GRAHAM BARDEN's bill would deal with the problem of labor union monopoly. Monopoly is against the interest of the people, as Congress already has recognized in the antitrust laws, and monopoly is growing in labor today.

Prime example is James Hoffa's unsavory Teamsters' Union, which not only has a stranglehold on trucks everywhere, but has completed or is working on agreements with other unions which control water, air, and other land transport.

Hoffa has boasted that he has the power to bring all transportation to a halt, and so bring the country to its knees. This kind of weapon is not needed for collective bargaining—it could only be used against the Nation itself.

To obtain this power, Hoffa has had no hesitancy about allying himself with unions ruled by pro-Communists.

Other unions have brought the country to stagnation by striking entire industries, such as steel and coal. This has occurred even in wartime. There is no law to prevent strikes against the whole public, and many unions have shown that their restraint can't be counted upon.

It now appears that most Congressmen are more concerned with the political power that organized labor holds over them than they are with the monopoly power which labor leaders hold over the entire Nation.

[From the Savannah (Ga.) News, June 27, 1959]

OSTRICH TACTICS

Two labor practices—secondary boycotts and organizational picketing—are the means commonly used by racketeers in the labor field to violate the public interest. This is not speculation, it is a known fact. It has been proved time and again by newspaper articles, by hearings before congressional study committees, even by television presentations concerning the subject of labor racketeering.

What is the remedy?

It is so simple that it should have been applied long ago. Since neither of these practices is necessary to or desirable in normal organizing procedures and collective bargaining, why not outlaw them? Simply make them illegal.

But the Kennedy labor bill, passed by the Senate under the careful supervision of the bosses of organized labor, and now up for consideration in the House, fails to do a thing about this glaring need. It does make some provisions for protecting union members against racketeers in their own unions, but it does practically nothing to protect the public.

Who suffers as a result?

All of us suffer, especially the businessman who is apt to find himself subjected to abusive labor tactics. It will be too late then to say "There ought to be a law."

The time for businessmen to make their influence felt in the forums where laws are enacted is now. We regard the ostrich, who hides his head in the sand, an object of ridicule. Yet, when you mention politics to the average businessman, he is likely to say it's too risky, or too controversial, or that it might hurt business. He's behaving like the ostrich. And while he's playing it safe, those who don't mind getting involved are minding his business for him. The Walter Reuthers, Jimmy Hoffas, and George Meany are spending money and making their influence felt from the precinct level to the White House. Too late, he discovers, "there ought to be a law."

There certainly should be a law—against secondary boycotts and organizational pickets—and the House of Representatives is considering such a law now. Why not let them hear from the businessman?

[From the Clay (W. Va.) Merchant, July 1, 1959]

GOLDWATER TALKS AGAINST KENNEDY BILL (By James W. Douthat)

The coercive power of compulsory unionism, transformed into a massive and irresponsible political power, is described by Senator GOLDWATER, Republican, of Arizona, as the "most pressing and dangerous internal problem which we face in America today."

Senator GOLDWATER expressed his views in testifying before a joint House Labor Subcommittee that he did not believe the Kennedy bill passed by the Senate would be good for America.

The Arizonian, outspoken advocate of effective labor legislation, contends that the Senate-passed bill would not remedy the abuses spotlighted by the Senate Rackets Committee and would not strike at the actual "disease."

Then he explained in detail what he meant.

"The disease I speak of," he said, "is power, and nothing else."

"Power of the nature that allows Hoffa to threaten the entire Nation and to issue this threat with impunity and the ability to carry it through without the law being able to touch him, and in fact, protecting him."

"Power that allows Al Hayes to uphold the expulsion of three of his members because they dared to speak out against a position of the union, exercising a right which the Constitution recognizes as inherent but which the union denies."

"Power that allows Walter Reuther to carry on the brutal strike at Kohler, defying the clergy, the bar, and the public, and even exerting that power in another State to prevent for 3 years the extradition of a goon who beat up a nonstriker."

"Power that allows George Meany to openly tell the Congress of the United States

just exactly what he will permit to be written into labor reform law and extending his dictates into the corridors and rooms of the Capitol where his lawyers wrote amendments to the labor bill.

"Power that allows COPE (the AFL-CIO Political Action Committee) to cross State lines to engage in politics in part with compulsory dues money taken from Republicans and Democrats alike in violation of the spirit of both the Taft-Hartley and the Corrupt Practices Act."

"Power that flaunts the laws of the land and scorns the rights and prerogatives of the people."

"Power that is denied, and properly so, to other segments of our society, but which is used by labor leaders with the knowledge they are protected by law and that their strength in Congress insures the continuance of those laws."

Explaining that under compulsory unionism, "corrupt leaders hold a clear-cut power of economic life or death over their members," Senator GOLDWATER added:

"Now let us take this compulsory unionism and go one step further—and it is a step which has already been taken. Let the union official take the overwhelming economic power he holds and transform it into compulsory political support of any party, faction of a party, candidate or issue as chosen by the union official. At a single stroke the union official can transform the union dues originally collected for economic purposes into a war chest for political purposes limited only by the size of the union treasury."

"Every union member under such a compulsory system must continue to support such political activities with his union dues. Failure to pay dues is grounds for expulsion from the union, followed by black-listing on every union job. A union member can be deprived of employment opportunities by his union official for refusing to pay political assessments, or dues which would be used for political purposes."

Mr. GOLDWATER. And, Mr. President, I ask unanimous consent that the deficiencies in the labor reform bill, which I reported to the Senate a short while ago, be printed again at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PRINCIPAL DEFICIENCIES IN PROPOSED HOUSE LABOR REFORM LEGISLATION INTRODUCTION

The House Education and Labor Committee has approved its version of a labor reform bill. The stated purpose of this legislation is to eliminate racketeering and corruption from the trade union movement. As approved by the committee, the bill sadly fails to achieve its stated purpose.

The following brief analysis outlines the major deficiencies of the committee's bill. While this analysis is directed at the provisions of the bill as reported, it should be made clear that the committee has failed to include in the legislation certain provisions which are indispensable to effective labor reform legislation. These indispensable provisions are complete prohibitions of secondary boycotts and organization and recognition picketing.

Failure to deal with these principal tools of corruption and racketeering now is inexcusable. These tools have served Hoffa well in his drive for power. They have been among the chief reasons why he has become so entrenched.

The secondary boycott and organization and recognition picketing would not be curbed in the slightest by the House reported

bill. Any labor reform legislation must deal with these matters—matters clearly revealed by the McClellan committee investigations to be the devices of the criminal and gangster elements in the trade union movement.

The committee has, moreover, failed to include adequate enforcement measures in its bill. Returning to State and local communities the authority to deal with disputes of an essentially local character would also have been a major step toward the elimination of the manifold abuses revealed by Senator McClellan's hearings.

If the House of Representatives is given an opportunity to amend this legislation on the floor, every effort to obtain the vitally needed changes in the bill as reported must be made.

TITLE I—RIGHTS OF MEMBERS OF LABOR ORGANIZATIONS

Rights of membership

Section 101(a)(1): This section accords certain rights to members of labor organizations including the right "to participate in determining the policies, to attend membership meetings, and to vote in any election." The section then subjects these rights to "reasonable qualifications uniformly imposed."

Hence, in practice, unions may readily negate these rights by a determination of what is a reasonable qualification. The section can, therefore, be rendered meaningless.

Dues, initiation fees, and assessments

Section 101(a)(3): This section provides an exemption of federations of labor unions, such as the AFL-CIO, from the limitations imposed on increases in dues and initiation fees. This raises a question as to whether or not a parent body should be subjected to the same rule as its subordinate units.

Protection of the right to sue

Section 101(a)(4): While ostensibly conferring a right on a member to sue a union or its officials such right is effectively destroyed by the proviso requiring such member to exhaust the remedies under the union's rules before resorting to judicial action. This is required, moreover, without regard to how long the pursuit of such internal union remedies may take.

Safeguards against improper disciplinary action

Section 101(a)(5): A member of a union is denied any procedural safeguard until after disciplinary action has been taken. Moreover, the section fails to establish appeal procedures. Labor organizations are authorized to adopt and enforce rules requiring loyal observance by every member of his responsibility to the union and the labor movement as a whole. The sweeping authority thus granted would permit further emasculation of any safeguards intended to be created.

Enforcement of Bill of Rights

Section 102(a): This section denies enforcement of any right conferred in this title until internal union procedures or remedies have been exhausted or until 6 months have elapsed without a decision. To require a member to pursue internal union procedures may be futile; to require the member to wait 6 months may be fatal.

TITLE II—REPORTING BY LABOR ORGANIZATIONS, OFFICERS AND EMPLOYEES OF LABOR ORGANIZATIONS, AND EMPLOYERS

Reports by unions

Section 201(a): This section requires each union to adopt a constitution and bylaws and to file them with the Secretary of Labor. It also requires the filing of information concerning address, officers, fees, and detailed statements with respect to a number

of specifically enumerated union practices. As reporting requirements, these may be desirable provisions. However, a glaring defect exists in the complete absence of any standards with respect to the various practices upon which reports must be filed. For example, information concerning procedure for authorization for strikes is required to be filed, but nothing is said as to what those procedures must be. A simple "none" answer would satisfy the law. The section is thus defective in its failure to include obviously needed standards.

Financial reports by unions

Section 201(b): The financial information required to be reported by unions under this section is in general the type which should be reported, but again a principal objection is to be found in the failure of the bill to impose any standards on a union regarding its financial dealings. Moreover, a union need only report salaries in excess of \$10,000 and loans to officers or members over \$250. There could well be many instances in which revelation of payments or loans below the indicated figures could serve a useful purpose in exposing transactions of a dubious character to the spotlight of public opinion.

Access to reports by members

Section 201(c): The effect of this section is to limit the access of members to the reports filed by the union inasmuch as the union is required only to make available the "information" contained therein in any fashion the union may choose. While a member may go to court to enforce this right, it is questionable if such a remedy is realistic.

Exemption from financial reporting

Section 201(d): An exemption from the financial reporting requirements is automatically granted to any union with less than 200 members or having gross annual receipts of less than \$20,000. Only by formal proceeding by the Secretary of Labor may this exemption be removed. This would effectively exempt nearly 70 percent of all unions from financial reporting. In view of the subsequent provision authorizing simplified reports from small unions, no blanket exemption appears justifiable. Under this section, Dio's paper locals would not be required to report.

Union access to NLRB

Section 201(e): This section removes the strong inducement upon a union to comply with the reporting requirements because it repeals the Taft-Hartley Act language denying access to the NLRB for failure to report. In other words, failure to file under the proposed bill would now be no bar to unions to use NLRB facilities.

Penalties for violation of reporting sections

Section 209(a): This section is deficient because it fails to provide any penalty for the violation of any rules and regulations issued pursuant to the act. Rules and regulations therefore would be unenforceable.

Personal responsibility for reports

Section 209(d): Any person required to file a report may readily avoid a penalty for a false report simply by denying he knew it to be false. This emasculates the enforcement language.

Enforcement of reporting requirements

Section 210: This section fails to permit the Secretary of Labor to seek a court order to enforce the rules and regulations he issues under the act.

TITLE III—TRUSTEESHIPS

Reports by unions imposing trusteeships

Section 301: Failure to provide any standards which unions should follow in imposing

trusteeships on a subordinate union is a major defect in this section. Reports on such trusteeships are required but copies of the reports are not required to be given to members. Enforcement of this provision is rendered difficult, if not impossible, by requiring personal knowledge of falsity of any report filed. No penalty is provided for a violation of rules and regulations issued pursuant to this title by the Secretary of Labor.

Purposes of trusteeships

Section 302: This section purports to limit the imposition of trusteeships by listing the valid purposes of the trusteeship. It, in fact, imposes virtually no limitations since carrying out the legitimate objects of the union is considered to be a valid purpose. Nowhere are legitimate objects defined.

Time limitations on trusteeships

Section 304(c): The effect of this section is to render a trusteeship virtually immune from legal attack for 18 months by granting a presumption of validity for that period of time which can only be overcome by clear and convincing proof of invalidity.

TITLE IV—ELECTIONS

Election of international union officers

Section 401(a): Except for the requirement of a secret ballot, this section fails to establish any standards for the conduct of an honest election. It contains no provision for access to membership lists by candidates nor for an honest count of the ballots.

Election of officers of intermediate bodies

Section 401(c): This section relates to the election of officers for joint boards, joint councils, or other associations of unions and is as deficient as the section above on election of international union officers for the same reasons.

Nominations and voting

Section 401(d): Since this section fails to specify who shall be able to nominate candidates, the practical control of elections is left in the hands of autocratic union officials. Notice of elections need only be given to members in a general manner.

Elections in conventions

Section 401(e): This section merely provides an empty shell of protection by requiring that the constitutions and bylaws of a union be followed in electing officers. Since many constitutions and bylaws are silent on the subject the deficiency is apparent. Official records need only be maintained for 1 year. Nowhere are official documents enumerated.

Removal of officers

Section 401(g): This section permits a union member to go to court to seek a recall election to remove an elected officer guilty of serious misconduct. The deficiency rests in the failure to provide for the removal of nonelected officials or those not guilty of serious misconduct.

Enforcement of election requirements

Section 402(a): Before a member can go to court to upset a fraudulent election, this section requires that such member must first pursue internal union remedies for at least 6 months. This section would have operated as a bar to the court action instituted by the 13 teamsters resulting in the appointment by a Federal court of monitors to supervise that union.

Exclusiveness of remedies

Section 403: The effect of this section prohibits State action to supplement or complement the remedies provided in the title for a contest over an election previously held.

TITLE V—SAFEGUARDS FOR LABOR ORGANIZATIONS

Union officials as fiduciaries

Section 501(a): This section purports to make union officials financially accountable for their conflict-of-interest dealings. A major loophole is created by limiting the fiduciary duty to take into account the special problems and functions of a labor organization. Another major loophole arises from the fact that no accountability is required for profits reaped by an official who uses his office (not union funds) to his personal advantage.

Union loans to officials

Section 503(a): The permissible amount of a loan to an officer or employee of a union is fixed at \$2,500. The lower amount of \$1,500 specified in the Senate-passed bill may itself prove ineffective in preventing wrongdoing or financial irresponsibility.

Payment of defense costs and fines

Section 503(b): Under this section a union or an employer is permitted to pay the defense costs of any official charged with violating the act as well as the payment of any fine if the violation was not willful.

Persons ineligible for union or employer association office

Section 504: This section purports to keep the criminal and subversive element out of the labor-management scene. Its failure to do so stems from absence of provisions denying office to persons convicted of specified crimes (manslaughter, aggravated assault, kidnapping, forgery, sedition, assault with a dangerous weapon, abduction, blackmail, perjury, espionage, and a host of other serious felonies) instead of to those convicted of any felony.

Payments by employers to his employees or to union officials

Section 505: This section amends section 302 of the Taft-Hartley Act so as to make it a crime, punishable by fine and imprisonment, for an employer or his representative or anyone who acts in the interest of an employer to make certain payments to unions, union officials, or to employees for the purpose of influencing other employees in their rights to organize and bargain collectively. This section is a criminal statute. It absolutely forbids certain payments. Violation could send an employer to jail. Yet, under its provisions it could be a Federal crime for an employer to give money to an employee or a committee of employees for the purpose of holding an annual banquet, or buying uniforms for a bowling or baseball team, or to subsidize an employee dance. Each of these activities has an indirect influence on employee thinking about organization and collective bargaining.

TITLE VI—MISCELLANEOUS PROVISIONS

Investigations by Secretary of Labor

Section 601(a): This section requires the Secretary of Labor to have probable cause to believe a violation of the act has occurred before he can undertake an investigation. This virtually requires preknowledge of the facts that his investigation is designed to uncover. The Senate-passed bill, S. 1555, required only a belief that it was necessary to conduct an investigation. Moreover, the Secretary is powerless to investigate violations of the bill of rights title.

TITLE VII—TAFT-HARTLEY AMENDMENTS

No man's land

Section 701(a)(b): This section approaches the jurisdictional no man's land problem by giving sole occupancy in the area to the Federal Government. The result is to exclude the States from handling matters which are of strictly local concern and to impose on an already swollen Federal

bureaucracy the impossible task of handling thousands of additional complaints—some involving establishments of no greater size than a corner drugstore with one or two employees. With a current caseload of over 6,000 cases the Board is even now faced with a herculean task in its endeavor to keep current. The imposition of this added responsibility manifestly will create an impossible situation, even if the Board is increased to seven members as the bill proposes and its staff is vastly enlarged.

The proper approach in eliminating the no man's land problem would be to vest States and State agencies with the power to handle labor cases in a manner not inconsistent with the provisions of Federal law.

NLRB changes

Section 701(c)(d): This section would establish a seven- instead of a five-man National Labor Relations Board, the members having 7-year terms. In general, it is doubted whether this superficial attempt to reduce the backlog of NLRB cases is the answer since seven men instead of five would be required to review and consider policy cases.

This section also attempts to clarify the jurisdiction between the Board and its General Counsel. Ever since the General Counsel's Office was established in 1947, a conflict over division of authority has existed between the NLRB and its semi-independent General Counsel. Since no testimony has been presented to Congress that the suggested division of authority would eliminate this conflict, the proposal is of doubtful value.

Building trades amendments

Section 702(a): This section nullifies right-to-work laws and further weakens the present secondary boycott section of Taft-Hartley by permitting building trades unions to win recognition without showing they represent a majority of employees. Negotiation of prehire contracts permitting a 7-day union shop and requiring notification to the union of job openings is authorized. Contract clauses requiring minimum job experience and seniority priority based on employment in the industry or geographic area are permitted. Such clauses may circumvent State right-to-work laws and the guarantees of free choice contained in section 7 of the Taft-Hartley Act regarding union membership.

Secondary boycotts

Section 702(c): This section permits secondary boycotts at construction sites by permitting common situs picketing. It would remove restrictions now placed by courts and the NLRB on such picketing.

Voting rights of economic strikers

Section 703: This section rewrites the existing Taft-Hartley rules and permits lawfully replaced economic strikers to vote in representation elections.

Prehearing elections

Section 704: This section amends Taft-Hartley to permit elections after 30 days without requiring a formal hearing if there are no substantial issues of fact or law to be resolved by a preselection hearing. The section specifically prohibits elections without a hearing if the appropriate bargaining unit is in dispute. This is a return to the days of the Wagner Act. It places great power in the hands of the NLRB investigator or hearing officer to determine, without a hearing, whether or not there are substantial issues of fact or law.

Hot cargo—secondary boycotts

Section 705(a): This section cleverly nullifies the provisions of the Senate-passed bill—S. 1555—curbing hot cargo secondary

boycotts by common carriers and the Teamsters. It takes a different technical approach by making it an unfair labor practice for a common carrier covered by the Interstate Commerce Act to enter into such an agreement with a union. It adds a similar unfair labor practice for a union to make such an agreement with a common carrier. The major loopholes that destroy the effort to halt hot cargo boycotts are: (1) an employee of a common carrier may refuse to provide service where a labor dispute exists, and (2) unions by contract may prohibit a carrier from discharging such an employee.

Recognition picketing

Section 705(a): This section would place an ineffective limitation on recognition picketing and does nothing about organization picketing. It would prevent picketing for recognition purposes only (1) if another union is the bargaining agent (this is already in sec. 8(b)(4)(C), of the law) and (2) where the picketing union has lost the election within the past 9 months.

Defense for recognition picketing

Section 705(d): This section is objectionable because it provides that existence of a mere charge of an unfair labor practice against an employer is a defense to obtaining an injunction against recognition picketing. As any union or employee can file a charge at any time this provision in effect would mean that an injunction could never be obtained against recognition picketing.

Unfair labor practice priorities

Section 706: A new priority for handling unfair labor practice charges of discrimination by employers and unions is created by this section. This priority is second only to the priority accorded secondary boycott and recognition picketing charges. This section relegates many other equally important unfair labor practice charges to the lowest possible priority.

Mr. GOLDWATER. I yield to my friend from Idaho.

Mr. CHURCH. Mr. President, I appreciate the remarks of the Senator from Arizona, particularly with reference to the important role of Mr. Robert Kennedy, the chief counsel of the McClellan committee, in the effort to secure labor reform legislation.

Earlier this morning our distinguished majority leader took note of the leading role of the Democratic Party in the continuing effort to secure labor reform legislation. He observed that it was a Democratic Congress which first authorized the establishment of the McClellan committee. He reminded us that the McClellan committee is responsible for the disclosures of the corruption and gangsterism that exists in certain portions of the labor movement, which has resulted in the public demand for corrective legislation. He also observed that in view of this it would be appropriate for the—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the Senator from Arizona may proceed for an additional 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. CHURCH. I ask the distinguished Senator from Arizona, in view

of the other matters which I have heretofore pointed out, and the fact that the distinguished Senator from Massachusetts [Mr. KENNEDY] was the chief architect of the labor reform bill which was passed in the Senate by a vote of 90 to 1, whether it would not be appropriate, in the opinion of the Senator from Arizona, for equal time to be extended the Senator from Massachusetts, so that he could present the case for the labor reform bill which was passed by the Senate, in response to such remarks as the President may make in arguing a case against it tomorrow evening.

Mr. GOLDWATER. In reply to that question, I can see no earthly reason why the Senator from Massachusetts should be given time to explain his position, any more than the junior Senator from Arizona should be given time to explain his position, which was on the short end of a 90 to 1 vote.

I think it is the duty of the President to call to the attention of the people that which he feels is needed in a labor bill. While I disagree with the junior Senator from Massachusetts as to what the bill should contain, I still do not think he should be given time to answer the President. I do not believe there will be a great area of difference between their basic philosophies, as there is no serious difference between ours.

Had the Senate followed the recommendations of the McClellan committee, there would now be in the House of Representatives a good bill. I remind the Senator that a moment or two ago we heard that great man from Arkansas, JOHN McCLELLAN, who has devoted 2½ years of real hard work to this problem. The Senator from Idaho is a member of the committee and he knows that to be so. The words of the Senator from Arkansas should awaken Members of Congress as to what is needed.

The power which has been conferred on the union labor movement by the Congress has been exercised in an arrogant manner. At the time it was conferred, it was needed, because labor unions were not able to go to the bargaining table with management on the basis of equal strength. But today that which was an infant in 1932, with 1,200,000 members, is now a giant of 18 million members, with an income of more than \$700 million a year.

When organizations like that are above the law, when James Hoffa can sit and answer me as the Senator heard him answer, it is time for action. I asked him if he felt that the union movement should be under the control of the Federal Government if it did damage to the public or the country, and he said, "No."

Let no one tell me that we have a bill which will meet the arrogance of James Hoffa. We do not have. Jimmy Hoffa will be driving his trucks on his merry way, and doing what he wants to do, under the Kennedy-Ervin bill, or under the House bill.

I think the President is eminently correct in bringing the facts to the attention of the public.

Mr. CHURCH. Mr. President, I believe I am just as genuinely interested in effective reform labor legislation as is the Senator from Arizona. We may not be in agreement as to whether the bill which was passed by the Senate answers all the problems which exist. But when the Senate passes a bill by a vote of 90 to 1, it is not a bill of the Democratic Party or of the Republican Party. It represents a nearly unanimous expression of the consensus of both parties.

I believe that the chief architect of that bill, and the chairman of the subcommittee, who led the debate and was in charge of the bill on the floor, is the most appropriate spokesman to set forth the position of the Senate.

Let me say to the Senator from Arizona that nothing could happen which would be more dangerous to the interests of constructive labor reform legislation than to have it embroiled in the toils of partisanship. Last year, after the Senate, by a vote of 88 to 1, sent a labor reform measure to the House of Representatives, it was defeated there in the closing days of the session. The partisan character of the vote was most extraordinary. More than two-thirds of the Democrats in the House voted for labor reform, in support of the bill, while more than three-quarters of the Republicans voted against it.

I believe that the interests of the country would be better served if we pushed partisanship aside and tried to obtain in the House of Representatives legislation which would result in constructive and important progress in this critical field. I believe that our chances of doing so will be jeopardized if we let this important public question become involved in partisanship. That is what I should like to avoid.

I believe that the suggestion made by the Senator from Montana [Mr. MANSFIELD] is perfectly in order. Let both sides speak up. The Senator from Massachusetts [Mr. KENNEDY] certainly can speak up in behalf of the Senate, which passed the bill this year by a vote of 90 to 1.

Mr. GOLDWATER. Mr. President, I join my friend in hoping that this issue can be kept out of partisan politics. I do not for the life of me see why the President of the United States, speaking on the subject, should inject partisan politics into the issue.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Arizona be allowed 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. I see no way whereby the President, speaking on this subject, can inject partisan politics. I may say, in answer to the suggestion of the Senator from Idaho and the Senator from Montana that the Senator from Massachusetts be allowed to speak on this subject because he is the chief architect, that much of the building has been torn down since it was completed. Since the bill was introduced in January, 1955

amendments have been made to it. I doubt that the architect himself could recognize the fine-line drawing he made at one time. I think he would have to bring the Harvard Law School here to start reconstruction from the foundation.

The bill is no longer the creature of the Senate. It is not even the Kennedy-Ervin bill. It is not the bill which passed this body. It does not even resemble the bill which passed this body.

If it is desired to have someone be given equal time on the air with the President, I suggest that it be a Member of the House of Representatives, because the bill which will come back to us for conference will be so unrecognizable that many Senators who voted for the Senate version will probably be sorry they did not vote against it and give the Senate a little better chance to pass something to be proud of, instead of something which history will say we were ashamed of.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. DIRKSEN. To me it has always appeared incredible that a bill of such moment to the country could languish on the desk of the presiding officer of another body for 41 days, and then be brought up under a suspension of the rules. Anyone who has served in the House knows that the debate is limited to 20 minutes to a side, and that no amendments can be offered. Then the vote is taken. That, to me, is one of the most incredible things I know of.

Constantly we hear about the 90 to 1 vote. Mr. President, the only reason why I voted for the labor bill in the Senate was that I knew it would be the death knell of labor legislation unless we sent something to the House of Representatives. Had it not been for that, I would have joined with the distinguished Senator from Arizona, and there would have been at least 2 votes against the bill, because the bill was completely inadequate for the task which is before us in the labor field.

Mr. GOLDWATER. I thank the distinguished Senator from Illinois. While this certainly cannot be used as a clincher for my position, I think the Senator will recall that at the leadership meeting the following Tuesday, the President looked at me and said, "Had I been in the Senate, I would have voted with you."

Mr. MANSFIELD. Mr. President, since the President has expressed an opinion on the bill as passed by the Senate, and it is the only bill which has been passed, I think that is all the more reason why the distinguished Senator from Massachusetts, the author of that bill, should be accorded equal time on all the Nation's networks in order to answer the President. After all, it is the Senate's bill, and no one understands its purpose better than does the Senator from Massachusetts.

I recall—and this has been said many times—that last year the Senate, by a vote of 88 to 1, passed a good bill, which

was referred to the House. There, as the distinguished minority leader said, it was brought up under a suspension of the rules and was defeated. If I may amplify the remarks made by the Senator from Idaho, 77 percent of the Republicans voted against that good bill, and 70 percent of the Democrats voted for it.

This year the Senate passed another good labor bill, in my opinion, and the vote in this Chamber was 90 to 1. Senators can give all the excuses they want to, but they simply cannot erase those figures. They are there.

Mr. GOLDWATER. There is no question that the Democrats control the House of Representatives by a very handsome majority, not so handsome as in the Senate—well, I do not like to use the word "handsome"—

Mr. MANSFIELD. Not last year.

Mr. GOLDWATER. The Democrats do not control the House by so large a majority as that by which the Democrats control the Senate. But if the Democrats were sincere about this subject, they would have no trouble getting a labor reform bill through the House of Representatives. But the Republicans, joining with sincere Democrats, want a workable labor bill.

In all sincerity, had George Meany and James Hoffa sat down to write a labor bill, they could not have written a better one for organized labor than the one which was reported by the House committee.

Mr. MANSFIELD. It seems odd to me that James Hoffa, George Meany, organized labor in general, the National Association of Manufacturers, and the chamber of commerce are all against the action taken by the Senate. On that basis, I believe we passed a very good bill.

Mr. GOLDWATER. I think it is high time that Congress forgot about the National Association of Manufacturers, the chamber of commerce, the AFL-CIO, and the UAW, and began to think about the working people and the public of the Nation.

Mr. MANSFIELD. We did stop thinking about the leaders of organized labor, the National Association of Manufacturers, and the U.S. Chamber of Commerce. We were thinking about the working people of the Nation. In so doing, we passed, on our own initiative, a good labor bill.

Mr. GOLDWATER. I know the Senator from Montana is honest in his views on this subject; but we destroyed the bill of rights which was proposed as an amendment by the Senator from Arkansas [Mr. McCLELLAN]. We destroyed it by amendments to it. We knocked the foundation out from under the house. If the workingman does not have the right of freedom of speech, if he must individually sue the union president to get records, I cannot see how freedom of speech is protected. By our own actions, we have made out of a weak bill a weaker bill.

The PRESIDING OFFICER. The time of the Senator from Arizona has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that we may have 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. As I recall, the second bill of rights was a bipartisan sponsored proposal. Is my understanding correct?

Mr. GOLDWATER. Oh, certainly; I will not deny that. I am not defending my own party or the Democratic Party for making this bill a weak bill.

Mr. MANSFIELD. What was the attitude of the Senator from Arkansas on this bill?

Mr. GOLDWATER. On the amendments?

Mr. MANSFIELD. On the bill.

Mr. GOLDWATER. I think he voted for it. But if the Senator will read his statement since that time, as recently as last week at the Press Club, I believe he can find very strong indications that the Senator from Arkansas is not at all happy with the proposal with which we are confronted today.

Mr. MANSFIELD. Did the Senator from Arizona vote against the substitute bill of rights?

Mr. GOLDWATER. Yes, he did.

Mr. MANSFIELD. Did the Senator from Arkansas?

Mr. GOLDWATER. No; he voted for it.

Mr. CHURCH. I wonder if the Senator from Montana recalls that there is precedent for his request—good precedent—in that some time back, when the tidelands oil bill was before the Senate and was then as controversial a matter as the labor reform bill is today, the President of the United States, then a Democrat, Harry Truman, went on the air to condemn the bill. After the President had made his remarks against the measure, the senior Senator from Florida [Mr. HOLLAND], who was one of the chief sponsors of the bill, asked for equal time to reply to the President, in order to present the other point of view. The networks agreed to grant equal time, so that the American people could be made aware of both points of view.

I suggest that the Senator from Montana has merely asked that the same course be taken with regard to the labor reform bill. In so doing, he is acting in accordance with a well-established precedent in the Senate.

Mr. GOLDWATER. If we come to the conclusion that the Senate should be granted the right to answer, if an answer is needed, I suggest that the person to do that is the man who knows most about the subject in this body, namely, Senator JOHN McCLELLAN, of Arkansas.

With all due respect to the junior Senator from Massachusetts, the bill which is being considered in Congress today bears no resemblance to the bill which the Senator from Massachusetts introduced. That, in itself, indicates the inadequacies of the original bill.

I suggest, if there is real seriousness about the proposal, and if it is finally agreed that equal time should be given,

Senator JOHN McCLELLAN be the person to speak.

I do not know what the President will say; I have no idea. I did not even hear about this proposal until I walked onto the floor of the Senate today. But I am certain that he will point out only one thing, and that is the need for labor reform legislation. I doubt that he will go beyond what the McClellan committee has recommended. I think he should follow the committee's recommendation. If he does that, and if the American people believe what he says is in the bill he advocates, I think the Senator from Montana will go along with the bill, because I think it will be a fair bill in his estimation.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The PRESIDING OFFICER (Mr. RANDOLPH in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I recognize that there is room for disagreement. I appreciate the fact that the Senator from Arizona has realized the validity of allowing equal time for discussion of this proposal. But I reiterate that the one to answer is the author of the Senate bill, because in my opinion no one knows more about the Kennedy bill than does the Senator from Massachusetts [Mr. KENNEDY]; and I believe that he would be the proper one to answer, on an equal-time basis, any charges made in this particular field by the President of the United States.

Mr. GOLDWATER. Mr. President, I have not indicated by my remarks that I believe equal time should be given. I said "if"; mine was an "iffy" comment.

In closing, I may say that if our distinguished friend, the Senator from Massachusetts [Mr. KENNEDY], wanted to talk about the labor bill he introduced, he would have to go back into the archives, in order to find it, because nothing in the bill the Senate passed resembled the Kennedy-Ervin bill as introduced.

That is why I urge—if we agree on this proposal—that the Senator from Arkansas [Mr. McCLELLAN] be allowed to present to the public what he has found. Certainly those who have been close to the investigation are the ones to discuss the problem before the public. An example of that was to be found in Bob Kennedy's appearance on the "Jack Paar Show" and in his appearance last Sunday on the "Meet the Press" program. The widespread and general public interest in his appearances on those programs is an excellent indication of the public desire to have good legislation enacted in this field.

Certainly it is time that the AFL-CIO and other pressure groups stop pressuring the Congress.

Let us consider the needs of the people, and stop worrying about the giant pressure organizations that push us on every side.

Mr. MANSFIELD. Mr. President, in conclusion, I wish to say that I believe that the Senator who introduced and presided over the hearings on the bill last year, and introduced and presided over

the hearings on the bill this year, is the one who is best qualified to answer on the television.

Mr. NEUBERGER. Mr. President, in connection with the debate which has been occurring in the last few minutes, I wish to state that I believe that the Kennedy-Ervin labor-reform bill which was passed by the Senate by a vote of 90 to 1 was sound and effective. I believe it is a better bill than the one which has now been reported to the House of Representatives.

As a Senator, I would be very much pleased to have an opportunity to vote again for the Senate version of the bill. I was one of the bipartisan sponsors of the revised bill of rights which was added to the Senate bill, and I believe the addition of that bill of rights was most essential and necessary.

Again I wish to state that I would be willing to have an opportunity to vote again, on another occasion, for the Senate bill.

WORLD REFUGEE YEAR

Mr. KEATING. Mr. President, one of the most gratifying aspects of the recently launched World Refugee Year has been the tremendous support the project is receiving from interested groups in the field. One of these, the Catholic Association for International Peace, through its committee on social questions, recently issued a statement urging full backing for the objectives of World Refugee Year.

As this outstanding organization points out: "What the refugee wants most is to cease being a refugee." That is the aim of the World Refugee Year, to find homes and security for the world's homeless.

But the CAIP group added that "the refugee year cannot be resolved in 1 year." That, of course, is true, but it must not deter us from pressing forward with aid and encouragement in the great task of settling the world's uprooted peoples.

To that end, the CAIP urged Catholics to support the World Refugee Year by contributing money and clothing to Catholic relief services—the National Catholic Welfare Conference, the International Catholic Migration Commission, and other interested groups—as well as by sponsoring refugees.

This strong backing for the World Refugee Year will do much to insure the success of this great, humanitarian crusade in this country.

I ask unanimous consent to have printed in the RECORD the complete text of the statement issued on July 24, 1959, by the committee on social questions, of the Catholic Association for International Peace.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE COMMITTEE ON SOCIAL QUESTIONS OF THE CATHOLIC ASSOCIATION FOR INTERNATIONAL PEACE ON THE WORLD REFUGEE YEAR

The General Assembly of the United Nations on December 5, 1958, passed a resolu-

tion urging governments to promote a World Refugee Year as a practical means of securing increased assistance for refugees throughout the world. In the words of the U.N. resolution, the aims of the World Refugee Year (which runs from June 28, 1959, to June 30, 1960) are:

(a) To focus interest on the refugee problem;

(b) To encourage additional financial contributions from governments, voluntary agencies, and the general public;

(c) To encourage additional opportunities for permanent refugee solutions through voluntary repatriation, resettlement, or integration on a purely humanitarian basis.

The U.N. resolution makes it clear that the World Refugee Year is to be essentially a series of national efforts. Approximately 50 governments have already indicated their endorsement of and support for the observance, and national committees are being set up in most countries. In the United States there has been formed the U.S. Committee for Refugees whose function is to assist in carrying out the aims of the World Refugee Year.

Since the beginning of World War II, 40 million men, women, and children have been displaced from their homelands. The majority of these people have either been resettled in new countries or have managed to find a means of livelihood in their present country of asylum. There are, however, over 5 million refugees who still need international and local help of one kind or another in finding a solution to their problems. They are grouped as follows: Europe, "hard-core" and new refugees, 140,000; Algerian refugees, 180,000; Palestine Arab refugees, 1 million; Chinese refugees in Hong Kong, 1 million; Chinese refugees in Formosa (Taiwan), 250,000; Koreans, 500,000; Vietnamese, 200,000; refugees in Bengal, 1,500,000; refugees in Pakistan, 500,000; European refugees in China, 10,000.

The 10,000 refugees of European origin in Communist China are being uprooted for the second time. After the Red revolution in Russia, they fled to China and tried to reestablish their lives. Now they must face the Communist tyranny in China and try to begin again in new overseas homelands.

In Europe there are many thousands of the so-called "hard-core"—the aged, sick, and physically handicapped—among the remnants of the World War II displaced persons. The able bodied have been taken by immigration countries but these people, who deserve the pity and help of all, are languishing in camps and countryside, seeking help to spend the remaining years of their lives as self-respecting human beings. Many of these refugees are children who were born in a camp and whose entire childhood is spent in an environment dominated by apathy and despair.

Many refugees still lack the basic necessities of life and sometimes even the bare means of survival. For these help is needed in the form of food, clothing, and medicines.

For all refugees, some kind of solution is necessary, whether it be through local resettlement, resettlement overseas, placement in institutions, or by some other means. Such solutions can be brought about only through the cooperation of governments in permitting people to resettle in their lands, and through financial assistance to cover transportation costs, and resettlement expenses.

What a refugee wants most is to cease being a refugee. It is to this end that the agencies working for refugees direct their services. The refugee problem cannot be resolved in 1 year, but by focusing attention on the needs of refugees during this designated period, many thousands of people can be helped to reestablish their lives and build a future for their children.

On the occasion of the opening of the World Refugee Year, His Holiness Pope John XXIII urged the fullest cooperation on the part of governments, organizations, and individuals in supporting the aims of this observance. "What kind-hearted man could remain indifferent to that sight?" His Holiness asked. "So many men, women, and even children, are deprived, without any fault of their own, of some of the most fundamental rights of the human person. Families are divided in spite of their own wishes. Husbands are separated from their wives and children are kept away from their parents. What a sorrowful anomaly in modern society, so proud of its technical and social progress. Everybody has the duty to take this matter to heart and to do whatever is in his power in order to bring this sad situation to an end."

The social questions committee of the Catholic Association for International Peace supports the objectives of the World Refugee Year, responds affirmatively to the appeal of the Holy Father, and urges wholehearted and effective cooperation with all efforts on behalf of refugees, in particular those of the Catholic Relief Services-NCWC and the International Catholic Migration Commission. Among the types of support which suggest themselves are the publicizing of CRS and ICMC programs in club meetings, bulletins, newspapers, etc.; the contribution of money and clothing to the Catholic Relief Services and sponsorship of refugees who enter the United States under its aegis; and personal efforts of understanding and friendship toward refugees who have been resettled in this country.

THE THIRD MAJOR LEAGUE

Mr. KEATING. Mr. President, the announcement that plans are well underway for the formation of a third major baseball league is good news to all of us who love this great game. It is a sign of progress, and is another indication that the American spirit of initiative and private ingenuity is not dead. My hat is off to the entrepreneurs and leaders in the movement for a third league.

Of course, I have a somewhat selfish interest in the establishment of the Continental League, over and beyond the fact that its creation is a sign of good health in the baseball world and the American business world, for one of the teams in the new league will be located in New York City, which is literally thirsting for another big league baseball club.

It is my hope that in the years ahead another team will also come to Gotham or its environs, thus giving our Nation's largest city the three baseball teams it wants and can support.

In the meantime, Congress must play its part, by enacting legislation which will promote and encourage progress in baseball, without placing undue Federal restrictions on it. Such forward-looking legislation is Senate bill 616, which I am cosponsoring with the Senator from Missouri [Mr. HENNINGS] and the Senator from Illinois [Mr. DIRKSEN].

This bill would do much to clear up the confusion resulting from Supreme Court decisions on the status of professional team sports under the antitrust laws. It would permit baseball, football, basketball, and hockey to con-

tinue to provide the thrills and entertainment which so many sports fans want.

In particular, Senate bill 616 would not unduly upset the present practices of baseball. It would not scare investors away from the third major league. The bill would, in fact, encourage its establishment.

I hope the Antitrust Subcommittee, which recently has concluded hearings on sports bills, will see fit to report to the Senate a bill which will recognize the unique aspects of professional sports, and thus will aid the formation of the new league.

An editorial in the Christian Science Monitor reflects the sentiments of many of us as the prospect of a third league opens up. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor,
July 29, 1959]

THIRD LEAGUE

It will take some getting used to, but we are already looking forward to America's first round-robin World Series in 1964. That's the year the founding fathers of the new Continental Baseball League expect to send a team into championship competition.

There are a lot of stadiums still to be built or expanded before the proposed third major league goes into operation in eight new United States and Canadian cities. But we are as confident as the league founders that the time is ripe for expansion of North America's national sport.

Back in 1901 grandstanders said the young game of baseball could never sustain a second major league. But it did. And for 58 years such generally profitable and popular teams as the New York Yankees and Cleveland Indians have been confounding the early prophets of gloom.

The 1957 departure of the Giants and Dodgers for San Francisco and Los Angeles was an indication that the time was again ripe for the addition of new major league cities. Strong attendance figures show the wisdom of such moves.

So many American metropolitan areas have passed the million mark in population in the postwar period—or are about to pass it soon—that it would not be a surprise to find even fourth-league moves brewing before long.

Problems? Sure. But none that can't be solved if the current and future baseball operators apply themselves to the job. Get ready, Houston. Toronto's going to be a tough team to beat.

SERIOUS EFFECTS ON THE NATIONAL ECONOMY WILL RESULT FROM CURTAILMENT OF THE HIGHWAY CONSTRUCTION PROGRAM

Mr. RANDOLPH. Mr. President, I ask unanimous consent to proceed for 9 minutes, in addition to the 3 minutes customarily allowed during the morning hour.

The PRESIDING OFFICER (Mr. McCARTHY in the chair). Is there objection? Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, I am deeply disturbed by the impending and,

in some cases, the immediate effects of three stalemates upon the domestic economy of this country.

Not only am I deeply disturbed, but I believe all other Members of the Senate share my concern, and certainly it is reflected in the thinking of people throughout the country.

I refer to, first, the breakdown of negotiations between management and labor in the steel industry has resulted in the prevailing strike, which, if continued, holds serious consequences. Measures applied or said to be "in prospect" to bring about a settlement of the strike are grossly inadequate. Also, Mr. President, the views of the administration and the Congress on housing legislation are at wide variance.

I reiterate a statement previously made in this Chamber, namely, that men of understanding can work toward the desired end of sensible compromise. I had felt that the Senate had already done so in the matter of the conference agreement on the housing bill. Again I say we can cooperate, when possible, with the executive branch, but we must not abdicate.

And, furthermore, I deplore the lack of positive action and apparent unwillingness or inability to compromise positions necessary to solve the perplexing problem of highway finance policy and programing. It is on this vital subject that I shall speak in some detail.

Before commenting in more specific terms on the highway program, I state categorically that there is an imperative need to bring statesmanship to bear upon the three stalemates to which reference has been given because each of these problems poses a serious and current threat to the prosperity and economic stability of our country. Indeed, some of the all too numerous depressed areas of these United States will become even more chronic centers of labor surplus and business instability. Many other such areas will be created unless prompt and effective measures are devised and implemented to settle the steel strike, bring the housing program to fruition, and dissolve the highway dilemma.

We are approaching an economic disaster period, at least in degree, when we trifle with progress in the construction industry of the United States, that industry dedicating itself to necessary programs such as highway construction.

Mr. President, I ask unanimous consent to have printed in the *RECORD* at this point a portion of the June 1959 column, "Straight Talk From Washington," by A. N. Weckler, national affairs editor of the magazine *Construction Equipment*.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

STRAIGHT TALK FROM WASHINGTON
(By A. N. Weckler)

ROAD PROGRAM GOING BROKE

At current income-outgo ratio, the highway trust fund will be short billions of dollars next year. If Congress fails to find a

source of funds, a slowdown could set in later this year.

Problem lies in the Byrd amendment. It gears the road program directly to the yield of special highway taxes. These taxes never were intended to directly match current expenditures. They were designed to pay out Federal spending over a period of time.

What is needed now is some leeway either to permit some short-term borrowing until the tax fund fattens up, or an additional source of revenue.

NEW LEGISLATION Mired in Politics

Politics may be a game, but it grows deadly serious for the construction industry.

President Eisenhower recommends that the gasoline tax be increased by an additional cent and a half a gallon. He is opposed to any action that will increase Federal spending.

Democratic Congressmen, on the other hand, are opposed to any increase in taxes. But they do not want to cross Senator Byrd, who is a leading figure in Democratic politics.

As a result, financing for the program has been drifting, and dangerously so. There is a general feeling that when the chips are down and the situation becomes desperate, something will be done. Mr. Congressman: It is getting close to the deadline.

SENATOR RANDOLPH PROPOSES REMEDY

Senator JENNINGS RANDOLPH, Democrat, of West Virginia, takes a firm position on legislation to keep the program moving.

An advocate of highway improvement throughout his career, he introduced a bill to increase the interstate authorization for 1962 from its present level of \$2.2 billion to \$2.5 billion, making it equal to authorization for 1960 and 1961.

In addition—and this is the crucial section of his bill—he proposes to suspend the Byrd amendment during 1961 and 1962.

Senator RANDOLPH, explaining his position to me, pointed out that "the entire future of the national highway program is in danger."

He suggests that a permanent solution to the highway financing problem be withheld until the Department of Commerce completes its study of the cost of highways to various classes of users, and determines the benefits derived by both users and nonusers.

In the meantime, the Senator wants the highway construction job to go ahead at full speed. He warns that if the program is cut back, it would have "a very serious impact on many segments of our economy."

He warns that "contractors, suppliers of equipment and materials, and their employees will be seriously affected if this program is interrupted or delayed."

Mr. RANDOLPH. Mr. President, Editor Weckler has talked straight in his summary of the serious situation. His penetrating thoughts are emphasized in an editorial in the *Charleston, W. Va., Gazette* of July 18, 1959. I request unanimous permission to place this clear exposition of the problem in the *RECORD* at this juncture in my remarks.

There being no objection, the editorial was ordered to be printed in the *RECORD*, as follows:

EISENHOWER ON WRONG TRACK ON HIGHWAYS; SIMPLE POLICY CHANGE WILL TURN THE TRICK

With a display of arrogance, President Eisenhower has again called upon Congress to enact a 1½-cent increase in the gasoline tax, stating that the two alternative financing plans proposed by Congress "would be unacceptable to me."

The plans apparently referred to by the President are (1) that the Byrd amendment be suspended, thereby making repayable advances from the general fund to the highway trust fund possible, and (2) that all road tax revenues now going into the general fund be earmarked for the trust fund.

Highway user groups in every State have formally announced their opposition to the President's tax-increase plan. Likewise, at least 29 State governments, West Virginia's among them, have expressed opposition to the increase.

In most cases highway users and a goodly number of the States have taken the position that the Federal Government should meet its recognized highway commitments from sources of general taxation or through repayable advances from the general fund or the highway trust fund.

In defense of its position the administration has repeatedly said that unless Congress acts soon, there will be no apportionment of Federal funds for the Interstate System for fiscal 1961 and only \$500 million will be apportioned for fiscal 1962. Congress has already authorized \$4.7 billion for these 2 years.

If, as the President says, there won't be enough money to pay for the 1961-62 building programs, we still can't subscribe to his plan of an increase in the Federal gasoline tax. The gasoline tax, in our opinion, is as much a State tax as the income tax is a Federal tax, and the States will need all they can get from this source to pay for their share of the interstate program.

As we see it, the best way to finance road-building at the Federal level is to use all road user taxes for roads. We'll have more than enough money for the interstates if this simple change in tax policy is enacted into law.

Mr. RANDOLPH. Mr. President, the lack of agreement on a program of highway finance legislation and the apparent rule-or-ruin attitudes being manifested by gasoline tax increase proponents and bond-issue advocates alike are most distressing.

I do not contend that the plan incorporated in the bill, which I introduced with the cosponsorship of my colleague from West Virginia [Mr. BYRD] and 14 other Senators, is the only proper and feasible plan, but it is one reasonable method around which the framework of a compromise can be constructed by legislators of good will.

That which is important is that our highways are the links in the chain of factors which help to maintain our country's well-being and assure that all States share in the benefits of an improved network of interstate highways and supplementary road development, including farm-to-market roads.

Mr. President, I recall that on May 11, 1934, I addressed my colleagues in the U.S. House of Representatives on the necessity for an expanded network of highways throughout the country, including the important farm-to-market roads. I said on that occasion, more than 25 years ago, that the prophet Isaiah had spoken correctly when he indicated that "there shall be a highway for the remnant of his people which shall be left."

I ask unanimous consent that the remarks I made on May 11, 1934, in the House of Representatives, be included at this point in the *RECORD*.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, May 11, 1934]

Mr. RANDOLPH. Mr. Speaker and Members of the House, more than 3,000 years ago the great prophet Isaiah spoke the following words: "And there shall be a highway for the remnant of His people which shall be left."

That sentiment was true then. It is doubly true today; and as we consider this splendid piece of legislation which will make available \$400 million for a comprehensive highway building program for the Nation, it is well to discuss the measure from a broad viewpoint and not from the standpoint of narrow sectionalism. In my State of West Virginia, we shall receive a smaller amount than many other States, but upon passage of this bill there will be spent in West Virginia millions of dollars for roads which shall not only serve the larger cities of the State but smaller rural sections will benefit.

There was a time in West Virginia when we were more or less of a sectional people, one part of the State feeling its problems were foreign to the other regions. A man was said to come from the northern or eastern panhandles or live south of the Kanawha River. But today, because of the splendid road system which has brought West Virginia out of the mud, opened up new markets, and brought our various sections closer together, we are a united people, and a citizen who lives in our Commonwealth is simply a West Virginian. White ribboned with excellent roads, our people have become neighbors even though miles upon miles separate their own firesides.

In a discussion of this measure on the floor of the House of Representatives, I have regretted to hear opponents of the provisions remark that the great industrial States should have the most roads, and that sections not populated so densely should have little.

This to my mind is not the right type of logic to use at this time, because all sections of America will benefit directly or indirectly from the use of this money for a widespread roadbuilding program.

America gets its money's worth when funds of the Federal Government are used for highway construction. In a time when our Nation should receive back something substantial for its expenditures we will have under this bill roads which will be permanent to a marked degree and which will serve for years and years to come. In the national forests of West Virginia thousands of dollars will be also provided under provisions of this legislation which will make more accessible to tourists from other States a vast wonderland which today is just coming into its own.

I was glad to support the amendment to the bill which makes it mandatory that 25 percent of the money be used on country feeder roads. It is well to have great trunk lines, but we must remember to look after the welfare of the farming sections that they can have a year-round outlet to the markets for their products. Under this amendment this is taken care of as it rightly should be, for we must bring to the man at the forks of the roads his share of these needed improvements which makes for a happier people.

This legislation aids in taking care of the unemployed of our Nation. It is estimated that 85 percent of each road dollar expended goes into labor of some sort. It aims to cure a condition, and does it well because the results will not be temporary, but will remain to redeem and further the best interests of a progressive people.

Mr. RANDOLPH. Mr. President, I recall efforts by Members of the Congress who joined in the challenging movement to advance an adequate national highway system, and I feel strongly that our progress to date gives evidence of the importance of such construction.

The road program created jobs in the 1957-58 recession period for the building trades directly involved in construction of the highways, but that was not the whole story. Contractors geared their organizations with care and purchased equipment which, in turn, fed back to the factories and provided employment for thousands of workers in many States. Producers of cement, asphalt, coal, steel, electrical cable, paint—whole industries—felt the quick injection of demand created by this construction acceleration.

It seems to be the thinking of some persons that the road program carried us over a rough spot in our economy, and that we can now afford to slacken the construction pace. Others seem to believe that if we cut back on highways now it will be a means of reducing the pressures of inflation. A proposal which emanated a few days ago from the House Ways and Means Committee was termed a "stretchout," a drastic changing of the concept of the 1956 Highway Act, which established a schedule of authorizations for the interstate program through the year 1969. This latest proposal would require revising the 1956 Highway Act schedule to extend authorizations through 1975. This, therefore, would be a 6-year stretchout in construction. It differs from the so-called 4-year stretchout referred to by some members of the Ways and Means Committee, but which actually is a proposed 4-year extension in the life of the taxes which provide the revenue for the highway trust fund.

What, indeed, would be the effects of a drastic stretchout of the road program? Actually, however, "stretchout" is the wrong term to be applied. The term "cutback" fits the situation more appropriately. This is true because we are constantly using our roads, and unless we meet the schedule of real needs for new ones, we are actually cutting back on the highway network that will be available for use by our commerce, our industry, and our citizens in the years immediately ahead.

As a matter of fact, the House Ways and Means Committee proposal is predicated upon revision in the schedule of authorizations and calls for the most severe cutbacks to occur in the years immediately ahead. The 1961 apportionment—scheduled to be made this summer—would be reduced from \$2.5 billion to \$600 million; the 1962 apportionment would be reduced from \$2.2 billion to \$1.4 billion. In subsequent years, the annual apportionments would be increased gradually, reaching the \$2 billion plateau in 1967 and going on to the peak level of \$2.4 billion in 1972.

Throughout the program, the apportionments in the House Ways and Means report would run below the level established for the current fiscal year. Dam-

aging effects of the delay could be minimized by a gradual and orderly reduction in the speed of the program, but the Ways and Means proposal involves not a gradual drop but, rather, a sharp and severe reduction in construction activity to be followed by a slow gradation rebuilding.

But let us consider for a moment a cutback and what it would do in the highway construction program. It would cut it down to a trickle as one would the flow of water from a spigot. It might be the mistaken idea of some individuals that, at a future date—perhaps a year or two from now—we might turn on the construction "spigot" again with full force and that this would comfortably provide a backlog of public spending if national employment falters.

This may sound good in theory, but the facts are far different.

From Mike Spronck, editor of Construction Equipment, a magazine published for the heavy construction industry, I borrow the observation that if we cut back severely on road construction now it very well could be even more tragic than if we had not started the program at all. He points out that construction industry units helped materially in leading the way out of the recession by hiring, buying, and investing heavily to meet their responsibilities toward what was described to them by their Government as a long-term, stable highway program.

If there is a sharp cutback now many contractors will face liquidation very rapidly. They have purchased huge quantities of heavy equipment, and they are still buying on the basis of the high level of road construction pledged on our National-States program for the years ahead. If we are to slacken the schedule by a half—or even by a quarter—they will stop buying, they will stop hiring, and some will be squeezed out of business. Many contractors have borrowed heavily to acquire equipment based on a broad program set down as public policy. If these programs are cut back, they will be unable to meet their payments. They will default—and it will be necessary because, to a degree, their Government defaulted on them.

But, Mr. President, this distressing cycle will not stop with the contractor. It will ripple into a crippling storm to engulf this country's economy. It will come as a real shock to the people of my State of West Virginia, not only to the contractors and men who have found employment with their organizations, but to other businessmen and people generally who look upon roads and other forms of modern communications as the way to a better life.

What else happens in a cutback? First, there is waste. Momentum is lost. Enthusiasm is drained, and those who fought for the road program—nursed it from an idea to a program adopted by the Congress, will feel cheated.

In practical terms, those close to the construction industry inform me that if the volume of road work is slashed in half the volume of equipment sales will be reduced by 75 percent. Then, too, the

work force in road construction will reflect any reduction which may be made in the overall road program. Dollars taken away from highway construction will mean fewer jobs, less materials purchased.

If we break faith with the workers on construction projects, with the contractors who have invested heavily in equipment, with the manufacturers of equipment and materials who have stepped up their productivity—if we force any segment of these investors in America into liquidation or bankruptcy isn't it quite likely and equally as natural that they will be very reluctant to listen to their Government when, in the near future, the decision might be made to turn the construction authorization and funding "spigot" on again?

This is not a time to be moving backward—or even sideways. Unless we build for the future there will be a void in the progress about which we talk because there is little real forward motion without a progressive road program, a program in fact and in being.

I recall that the Interstate and Defense Highway System was created with all of the fervor of a bold new venture that would insure our future economic strength. Mr. President, I cannot remain silent and be a witness to its demise without seeking to engender a struggle at least equal in intensity to the efforts of those who launched the program.

There are other important factors to be taken into account in considering the question of maintaining, stretching out or cutting back the highway program.

The American Road Builders' Association, in its ARBA news flash of August 3, 1959, notes that the organization has assembled a summary of the effects of a 6-year "stretch out" such as that proposed by the House Ways and Means Committee for the Interstate and Defense Highway System. These effects are pertinent and worthy of the careful attention and consideration of the Members of Congress.

Mr. President, I ask unanimous consent to include at the conclusion of these remarks the material which I have found most informative as presented by the news bulletin of the American Road Builders' Association, as published on August 3, 1959.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARBA NEWS FLASH

1. LOSS OF HUMAN LIFE

The National Safety Council estimates that a 1-year delay at this stage in the construction of the Interstate System would result in the loss of 5,700 lives during the period 1960-70. The 6-year stretchout plan is, of course, not the same as a 6-year stoppage of work, so the cost in lives is not 6 times 5,700. However, since the Ways and Means proposal calls for serious cutbacks during the next 3 years and less severe cutbacks thereafter, it seems reasonable to assume that 3 times 5,700—or 17,100 lives—would be a conservative approximation of the loss of life caused by a 6-year stretchout.

2. OTHER ACCIDENT LOSSES

Accident costs on U.S. highways amount to 1 cent per vehicle mile, or roughly 12½

cents for every gallon of gasoline consumed in highway travel. Accident costs on high standard controlled-access highways are reduced to about 0.4 cent per vehicle mile, or, for a completed Interstate System carrying 200 million vehicle-miles per year, an accident cost saving of \$1.2 billion annually. Again using the factor of three to approximate the effect of the proposed 6-year stretchout, the cost of the stretchout in terms of accident costs would be \$3.6 billion.

3. OPERATING COSTS

Savings in fuel, tires, wear and tear, wages, maintenance, etc., vary greatly depending on the kind of vehicle operated and the nature of the parallel highway with which the interstate standard highway is being compared. Preliminary studies indicate a saving in operating costs of \$500 million annually for passenger cars and \$750 million annually for commercial vehicles. The cost of the stretchout in potential savings lost to highway users is estimated to be not less than \$3.7 billion.

4. LOSS TO THE NATIONAL ECONOMY

The effect of the stifling of the national economy cannot be assigned a dollar value. It can be said, however, that the Interstate System's function as a complete, integrated network linking the principal centers of population and industry—thus encouraging the growth and dispersal of industry and facilitating commerce—has an importance to the overall economy which is of even greater magnitude than the direct benefits to highway users. One important effect within metropolitan areas will be to improve the ability of the worker to travel greater distances to and from work in less time, thus increasing the flexibility of the labor force.

5. LOSS TO THE NATIONAL DEFENSE

The Interstate System will:

(a) Encourage the dispersal of industrial plants, making them less vulnerable to attack, and improve our means of delivering vital war materials.

(b) Provide routes in, through, and around major centers of population suitable for the mass movements of military and civilian personnel.

(c) Provide overland mobility for specific military missions.

6. DIRECT COSTS OF A CUTBACK

The immediate effects of a severe cutback on State highway departments and the highway industry would vary greatly from State to State, depending on whether there is a backlog of unobligated funds. The disruption of program schedules would mean that:

Highway departments would have to discharge trained and experienced engineering staffs, and abandon options held on right-of-way for which no purchase funds are forthcoming.

Construction would be suspended on many routes, leaving facilities already in place unconnected.

Contractors would lay off employees and suspend payment on equipment being purchased on time-purchase plans.

Manufacturers of equipment and suppliers of material would retrench and lay off workers.

The cost of remobilizing trained labor forces and reequipping contractors would add millions of dollars to the ultimate cost of the Interstate System.

Rising land values would result in rising costs in purchasing right-of-way, further increasing the ultimate cost of the system.

Mr. GORE. Mr. President, I hope my colleagues will observe in the RECORD, and will read and study, the very timely remarks of the distinguished senior Senator from West Virginia [Mr. RANDOLPH], a member of the Subcommittee on Roads,

on the subject of our highway program. I suggest this because of my deep feeling that the Congress must not adjourn without preventing the proposed "stretchout" or the stoppage, as the case may be, of our important, vital national defense and interstate highway program.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. YARBOROUGH. The leadership of the distinguished junior Senator from Tennessee is well known on the subject of highway construction. The Senator is the author of the accelerated Highway Program Act of 1958.

I should like to ask the Senator to explain briefly what has caused the sudden shift by the administration, from its former position to its present position, within the space of a few months' time, so that the administration suddenly cries, "Wolf, wolf; we have to stop everything." Is it not a fact that a few months ago the Bureau of Roads was putting out to the States estimates of what amounts in contracts the States could make next year?

Mr. GORE. There are several strange and unexplained occurrences related to this subject. One of those is the compilation of the telegrams from all the State highway departments, released by the White House and inserted in the CONGRESSIONAL RECORD by the distinguished junior Senator from Illinois.

The problem is created by the diversion of revenues from the highway user taxes to purposes other than highways. Only 42 cents of each dollar of revenues from the highway user taxes are budgeted, by the President's budget, for highway construction purposes. If we would allocate even a major portion of the revenues from the highway user taxes which are not now being used for highways, the trust fund would be sufficient to keep the highway program on schedule.

As the able junior Senator from Texas knows, I proposed an amendment to do exactly that, which I believe the Senator supported, along with the senior Senator from West Virginia.

Mr. YARBOROUGH. I did. Mr. President, will the distinguished Senator from Tennessee yield further?

Mr. GORE. I yield further.

Mr. YARBOROUGH. Has the distinguished Senator from Tennessee had an opportunity to have a study made with regard to the amount of employment created by the accelerated highway program of 1958? We see many statements to the effect that the national recovery and the national employment rates simply take a turn for the better by themselves. I personally think the accelerated highway program—the housing program which was passed last year and resulted in the construction of 200,000 homes more than would have been constructed except for the liberalized Housing Act of 1958—and other democratic measures have stimulated the recovery and have largely brought about the increased employment in comparison to the unemployment of 1958.

Mr. GORE. I agree.

Mr. YARBOROUGH. Has the distinguished Senator from Tennessee made any study with regard to the new employment created by the accelerated highway program?

Mr. GORE. Yes, I have some statistics on that. I do not have them readily at hand. They are in my office.

I will say to the Senator the statistics support the thesis of the junior Senator from Texas that the highway construction program has been one of the major contributing factors toward the recovery of our national economy.

However, I wish to point out that we have not completely recovered from the recession. There is still widespread unemployment. It is entirely too widespread. A continuation of restrictive monetary policies and a continuation of restrictive economic policies will inevitably bring about a recurrence of our troubles.

Mr. YARBOROUGH. Mr. President, I should like to address a question jointly to the distinguished junior Senator from Tennessee and the distinguished senior Senator from West Virginia [Mr. RANDOLPH] with regard to this problem, since I did not have the benefit of hearing all of the speech of the distinguished Senator from West Virginia.

Does either Senator have a breakdown with regard to the highway money expended, to show the portion which was spent for wages and the portion which was spent for materials, including steel, cement, and other items—or other pertinent facts of the impact of highway construction on the economy?

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the Senator from Tennessee may be granted 3 additional minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. GORE. Mr. President, I yield to the senior Senator from West Virginia.

Mr. RANDOLPH. I should like to preface my reply to the query of the junior Senator from Texas [Mr. YARBOROUGH] by expressing appreciation to the well informed Senator from Tennessee, who knows the subject of highway legislation perhaps as well as any Member of Congress. I am grateful for his reference to the remarks which I made earlier today in this body. I was glad to support his proposal for the dedication of the user taxes, in order that funds might be provided for continuance of the program so necessary to the sustained strengthening of our economy through vital road construction.

Mr. GORE. I thank the Senator. Will he not agree that, had this amendment been enacted, the crisis in the highway program which now faces the Congress would have been met and avoided?

Mr. RANDOLPH. Of course the Senator is correct.

Specifically, in reply to my beloved colleague from Texas, I believe that the figures to which reference has been made

are important. The highway construction dollar, since 1957, has been expended on an average of 27 percent for labor, 44 percent for materials, and 30 percent for equipment and overhead.

It is important to note, too, that 228 million man-hours of work have been provided, amounting to a payroll of \$500 million, for each \$1 billion of highway investment expenditure.

Furthermore, the figures furnished me also demonstrate that each \$1 billion of highway construction contributes to gross national product as follows: 510,000 tons of steel, 995,000 tons of bituminous material, 16 million barrels of cement, 18,345,000 pounds of explosives, 76,415,000 tons of aggregate, and 122,000,794 gallons of petroleum products.

For each \$1 billion in excess of the annual rate of \$5.8 billion of highway construction, the gross national product has had contributed to it 345,584 pieces of construction equipment and 22,500 vehicles—cars and trucks.

The emergency highway funds appropriated in 1958—all of which were used by the States—provided 137 million man-hours of employment.

Mr. YARBOROUGH. Mr. President, I wish to express my appreciation to both the distinguished Senator from Tennessee [Mr. GORE] and the distinguished Senator from West Virginia [Mr. RANDOLPH] for their contributions on this subject. It was my privilege to be a co-author, under the leadership of the distinguished junior Senator from Tennessee last year, of the accelerated highway program; and I supported his proposal this year to finance it.

I join in the words of commendation he has for the distinguished Senator from West Virginia, for the part he played in helping to bring about a sound and accelerated highway program.

SEPARATION IN THE NATIONAL BUDGET OF EXPENSE ITEMS FROM CAPITAL ITEMS

Mr. BENNETT. Mr. President, on Monday our colleague, the senior Senator from New York [Mr. JAVITS] addressed the Senate at length. In the course of his speech he touched on an idea which has been of interest on and off to men in Government for a long time, the idea of changing the pattern of the budget to separate what might be called expense items from what might be designated capital items.

At least two bills have been introduced in the Senate this year requiring such a change in procedure.

On July 2, 1959, I addressed a letter to the Honorable Maurice H. Stans, Director of the Bureau of the Budget, commenting on these two bills, and on the basic idea of capital budgeting in light of the statement made by the Senator from New York. I think his reply would be of interest to the Senate.

I ask unanimous consent that there may be printed in the body of the RECORD following these remarks of mine my letter to Mr. Stans and the reply of the Bureau of the Budget to me on the general subject of capital budgeting.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 2, 1959.

HON. MAURICE H. STANS,
Director, Bureau of the Budget,
Washington, D.C.

DEAR MR. STANS: At least two bills—S. 1244 (Mr. MORSE and others), and S. 1560 (Mr. HUMPHREY)—have been introduced in the Senate and companion bills to S. 1244 have been introduced in the House during this session of Congress to provide for capital budgeting by the Federal Government. These proposals would require a separation of current operating expenditures from capital investments in budget reporting. For your reference, the comments of the authors of the Senate bills appear on pages 3099–3103 of the CONGRESSIONAL RECORD for March 2, 1959, and on pages 5225–5228 of the RECORD for March 25, 1959.

It seems to me that this matter of capital budgeting must have been carefully considered by students of public finance and by experts on budgeting. Though I have some initial views of my own regarding this proposal, I would like to have the views of impartial judges as to the merits of capital budgeting. What are your views?

I will appreciate your comments on this proposal.

Sincerely,

WALLACE F. BENNETT.

EXECUTIVE OFFICE OF
THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington D.C., July 15, 1959.

HON. WALLACE F. BENNETT,
U.S. Senate, Washington, D.C.

MY DEAR SENATOR BENNETT: I have your letter of July 2, 1959, inquiring about the merits of capital budgeting. This subject has been debated and written about by many people over a period of years, as indicated in the enclosed copy of a recent bibliography on the subject prepared by the Bureau of the Budget Library. This list, while not exhaustive, contains a representative sample of professional and other views. It is the predominant view among the experts, particularly those writing after World War II, that separate financing of capital items in the Federal budget would be undesirable and improper.

This does not imply that a separate listing of capital-type expenditures is undesirable. In fact, the budget document has included just such a listing for every year since 1949, in a special analysis in part IV. Enclosed is a reprint of that special analysis from the 1960 budget (pp. 947 to 956). You will note that in this analysis budget expenditures are divided into the following four major classes: Additions to Federal assets, expenditures for other developmental purposes, current expenses for aids and special services, and other services and current operating expenses.

Neither does opposition to capital budgeting imply that we should not segregate capital and current expenditures in analyzing program operations and costs. We have been aware for some time of the advantages of accrual accounting and, where appropriate, the use of cost-type budgets which involve separate accounts for current and capital costs. The budget document contains cost-type budgets for a number of Federal activities, and our continuing efforts to improve Government accounting should result in an extension of this practice.

However, S. 1244 and S. 1560 seem to imply much more than this. Judging from the views expressed in the CONGRESSIONAL RECORD references which you cited, S. 1244 and S. 1560 would not only provide separate listing but separate financing of capital investments. Some of the following comments are

indicative of the objections to this proposal. Prof. Jesse Burkhead, of Syracuse University, in his book "Government Budgeting" (John Wiley & Sons, Inc., New York, 1956) says:

"The capital budget is a variety of double budget. * * * Double budgets, almost without exception, have had their origin in attempts to justify loan finance, so that the extraordinary portion, or the nonrecurring portion, or the capital portion could be identified to serve as a rationalization, sound or unsound as the case might be, for government borrowing" (p. 182).

Again on page 207 Mr. Burkhead comments: "Beyond doubt, a capital budget can serve as a satisfying ritual to support deficit financing."

Richard Goode and Eugene Birnbaum in an article on "Government Capital Budgets" (International Monetary Fund, Staff Papers, February 1956, vol. 5, pp. 23-46) point out:

"Expenditures in the capital budget may be covered to a large extent by borrowing; but, since assets are being acquired, this borrowing may not be considered a form of deficit finance. Expenditures assigned to the capital budget may therefore escape partly or entirely the usual political checks."

Senator HARRY F. BYRD wrote in the Tax Digest in 1953 (November 1953, vol. 31, p. 378) in answer to Mr. Beardsley Ruml's plan for capital budgeting ("A Budget Reform Program," the Seventh Co., Inc., New York, 1953):

"To contend that such Government expenditures [i.e., investment expenditures] may be capitalized and amortized outside the Federal budget, as in business, requires a whole series of fallacious assumptions."

"The Ruml proposal would set back budgetary disclosure 20 years, to a point where government corporations were springing up overnight as a sort of fourth branch of government, conducting so-called business-type operations by the exploitation of Federal credit completely outside of budgetary appropriations, account, or any other fiscal control."

As for my own opinion, I have already indicated that analysis of Government programs and costs with respect to capital versus current outlays can be helpful in budgeting, but that separate (or loan) financing of capital items would probably be a mistake. I expressed some additional views in a recent interview published by U.S. News & World Report, as follows:

"There would be quite a problem of definition as to what is really a capital investment. Investments made by the Government in many types of long-lived assets may nevertheless involve things that shouldn't be capitalized. Military facilities and equipment of one kind or another may never have the characteristics of assets that should be capitalized."

"You don't necessarily get a tremendous change in the budget results if you change from the single-section form of budget to the dual form, because over a period of years the items that you capitalize have to come back into the operating budget, a portion each year, as depreciation" (May 4, 1959, pp. 72-76).

We appreciate your interest in obtaining information in the important subject and we hope this letter will be of some help to you.

Sincerely yours,

MAURICE H. STANS,
Director.

THE FISCAL RECORD OF THE DEMOCRATIC CONGRESS

Mr. MANSFIELD. Mr. President, the July 28 issue of the Wall Street Journal takes exception to the view of the ma-

jority leader, the Senator from Texas [Mr. JOHNSON], that the 86th Congress will trim one-half a billion dollars from the President's budget. The editorial objects not because the Congress has cut funds sought by the Eisenhower administration, but because in the process we will also rearrange the budget. Congress has this responsibility, and the legislative branch of the Government will exercise it now, as it has in the past. Neither the Constitution nor statute—nor even legend—indicates that any officer of the executive branch has superior knowledge on the needs of the people.

I ask unanimous consent that the Wall Street Journal editorial be printed at this point in my remarks in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REDUCING ALL OVER

Once there was this lady, and doubtless still is, who complained to her dietitian that no matter how many inches she managed to take off here she always seemed to put a like number on there. So her weight remained pretty much the same.

We were reminded of the lady when we read of Senator JOHNSON's talk over the radio about spending. The majority leader predicted that Congress would reduce the President's 1960 fiscal budget of \$77 billion by around \$500 million.

Now a trim in spending of even \$500 million is not to be laughed at; indeed, it might even allow the taxpayers to loosen their own belts a bit. The trouble is, though, that Senator JOHNSON's estimated trim of the President's request is only half the story.

For Congress has a habit of cutting down on what Presidents want to spend and then

putting another dish on the table just as fattening. In the end, the grocery bill is as large as ever.

In fact, Senator JOHNSON predicted that three spending requests of the President—defense; health, education and welfare; and public works—will be fattened by Congress by anywhere from \$340 million to \$500 million because Congress thinks more money ought to be spent in those fields.

Well, we're sure the reader gets the general idea. And we hope they won't spend any of the money Senator JOHNSON plans to save from the President's budget until he reveals how Congress budget is going to look after the weight is shifted from here to there.

Mr. MANSFIELD. Mr. President, I invite attention to the following table, which shows the record of the Democratic Congresses in removing the excess from the Eisenhower budgets for the past 4 fiscal years. The changes that were made by Congress have helped replace "fat" with "muscle." The 84th and 85th Congresses have made an impressive record in reducing the administration's request for funds as submitted to Congress.

	Reductions in budget requests
Fiscal year 1956.....	\$2,075,807,000
Fiscal year 1957.....	257,495,000
Fiscal year 1958.....	5,043,458,000
Fiscal year 1959.....	617,242,000

Mr. President, I ask unanimous consent to have printed at this point in my remarks a set of statistical tables indicating the status of appropriation bills up to the present time.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

86th Cong., 1st sess., appropriation bills, fiscal year 1960—Comparison of budget estimates and bills as of Aug. 5, 1959

	Budget estimate	Amount in bill sent to White House	Increase (+) or decrease (—), conference bill compared to budget estimate
Bills sent to White House or at substantially final figure:			
Agriculture.....	\$4,081,364,863	\$3,971,362,673	—\$110,002,190
Atomic Energy Commission.....	2,718,715,000	2,683,029,000	—35,686,000
Commerce.....	732,191,000	712,672,900	—19,518,100
Defense.....	39,248,200,000	39,228,239,000	—19,961,000
District of Columbia (Federal payment).....	34,218,000	27,218,000	—7,000,000
General Government matters.....	13,608,500	13,463,500	—145,000
Independent offices.....	6,584,188,000	6,517,162,200	—67,025,800
Interior.....	491,101,400	481,809,100	—9,292,300
Labor-HEW.....	3,756,848,581	4,016,101,981	+259,253,400
Legislative.....	133,648,180	128,797,380	—4,850,800
State, Justice, and Judiciary.....	682,387,600	648,941,200	—33,446,400
Treasury-Post Office.....	4,688,327,000	4,643,363,000	—44,964,000
Subtotal.....	63,164,798,124	63,072,149,934	—92,648,190
Bills pending in Senate and House:			
Public works.....	\$1,185,406,259	\$1,265,565,559	+80,159,300
Supplemental, 1960.....	1,218,090,555	1,076,186,108	—141,904,447
Military construction.....	1,563,200,000		
Mutual security.....	4,436,277,000	4,319,782,000	—1,244,495,000
Total.....	71,567,771,938	68,605,683,601	

¹ One amendment in conference.

² In conference on language item.

³ Includes \$500,000,000 for 1961.

⁴ House bill.

ST. LOUIS GLOBE-DEMOCRAT PAYS TRIBUTE TO OREGON CENTENNIAL CELEBRATION

Mr. NEUBERGER. Mr. President, the St. Louis Globe-Democrat has published an outstanding article in its edi-

tion of August 2, 1959, about the centennial celebration of Oregon's membership in the Union. Author of this fine and comprehensive article is Mr. Joseph A. Jost, travel editor of the St. Louis Globe-Democrat, who recently visited

our State. I ask unanimous consent that his article from the *Globe-Democrat* be printed in the *RECORD*.

Mr. Jost's article heralds not only the Centennial Exhibition and Trade Fair, but also the magnificent outdoor grandeur of seacoast and mountain range, which makes Oregon premier among the 50 States in these majestic essentials.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

OREGON CELEBRATING ITS 100TH BIRTHDAY
(By Joseph A. Jost)

PORTLAND, OREG.—The bustling city of roses is in a festive mood inspired by the visiting throng here for the State Centennial Exposition, which opened in June and continues through September 17.

The Northwest Orient airliner that I boarded in Minneapolis after my flight from St. Louis on the Braniff line, set down on one of the most beautiful and modern airports in the Nation. Ten lines operate out of the International Airport here, which was completed in 1958.

Portland is the largest dry cargo port on the Pacific Coast. The city is rapidly growing in importance as a distribution center for the Pacific Northwest, Alaska, and Hawaii.

Mount Hood with its snow-covered peak is the highest point in Oregon, and stands like a sentinel overlooking the metropolitan area of Portland about 60 miles away.

MANY EXHIBITS

The exposition grounds that cover a 65-acre tract between the Columbia and Willamette Rivers, is just a short way from this city.

The attractions include 20 exhibits from foreign countries, emphasizing exotic goods, industrial progress, history, and art. The building representing the forest industries is the largest piece on the grounds.

The Army Engineers' 40-foot working model of a hydroelectric dam, push-button dream house of tomorrow, atomic display and a model of the Vanguard satellite are among the most interesting exhibits.

Oregon has a great variety of outdoor recreation areas, that begin at sea level on smooth, sandy Pacific beaches and stretch inland across the snow-tipped Cascade Mountains, and then wind through high central plateaus, upward to the lofty Blue and Wallows Mountains of the northeast.

The centennial wagon train that left Independence, Mo., in the spring is due to arrive at the town of the same name in Oregon, on August 15. Independence, a community of about 2,100 persons, is about 8 miles south of Oregon's capital, Salem.

SCENE FASCINATING

One of the most fascinating sights on my itinerary was the scene at Multnomah Falls. The falls in a setting of splendor plunges 620 feet over the sheer palisades.

About midway up Mount Hood is Timberline Lodge, an impressive resort and a favorite with ski enthusiasts. Skiing is good from early fall to late June at this year-round playground. Featured is a heated swimming pool to lure guests even in the dead of winter.

Just west of Bend and near the seat of the State government, Salem, are the three Sister Mountains that are perpetually covered with snow. The McKenzie River area is famous for fishing, hunting, skiing, swimming, and other sports for every mood.

The Armitage State Park is 5 miles from Eugene. Crater Lake is one of those won-

ders of nature. More than 21 square miles, the lake is surrounded by towering walls 500 to 2,000 feet above the water.

Medford is in the exciting Rogue River Valley where devotees of Ike Walton may get the thrills of their lives in the lakes and streams. Majestic Mount Thielsen towers above trout-filled Diamond Lake.

Mysterious Oregon Caves 50 miles from Grants Pass is just like a mountain of marble within a mountain. On the grounds is a beautiful chateau offering modern facilities to tourists who wish to stay over.

Coos Bay is the heart of the renowned recreation area of lakes, streams, mountains and beaches. It is classed as the world's largest shipping port for lumber and the center of striped bass fishing in Oregon.

Further up the coast is the recreational center of Newport. The harbor is sheltered, which makes it ideal for sun bathing, surfing, and swimming. As in other areas, it is excellent for fishing and boating.

A 2-mile concrete promenade runs along the beach of Oregon's northern resort of Seaside. Many motels, cottages and apartments offer accommodations for the tourists.

Astoria, the northernmost town, established in 1811 as a fur trading post, is the West's first city. This is the home of Tongue Point Naval Base and Maritime Reserve Fleet.

**SMALL BUSINESS ADMINISTRATION
LOANS TO THE POULTRY INDUSTRY**

Mr. WILLIAMS of Delaware. Mr. President, recently I have been rather critical of the fact that there were six different agencies of the Government lending money to poultry farmers to expand production at a time when the industry is already overproduced and poultry is selling at an all-time low.

One of the agencies criticized was the Small Business Administration. Mr. Barnes, the Administrator, has replied and has made an effort to justify the situation.

It should be noted that the Department of Agriculture during the past 7 months has spent about \$19 million to support the prices of eggs and poultry.

First, I should like to read briefly from Mr. Barnes' reply. Later I shall ask to have the full letter incorporated in the *RECORD*.

The great majority of our loans to firms in the poultry industry have been made to processors of poultry and poultry products rather than to producers of these same products. To a large extent, therefore, the funds which we have loaned to the poultry industry have not contributed to the expansion of production.

Commenting on that statement, let me say that Mr. Barnes has either a complete lack of knowledge as to what is going on in his own agency or a lack of knowledge as to the operations of the poultry industry, or he is deliberately trying to confuse the issue. The Government cannot pour money into any segment of this industry without increasing production and bringing about its expansion. During recent years the poultry industry has become integrated units. In many cases the growing, processing, hatching, and feeding are all parts of one integrated unit. When money is loaned into any part of

the industry, it spreads out to all segments of it.

Moreover, their list shows that many loans have gone direct into the production channels.

For instance, the list shows one loan of \$235,000 in Alabama. Under the heading "Nature of Business," we find the description "Poultry."

There is also listed a loan of \$60,000 in Wisconsin. Under the heading "Nature of Business" the description is "Raising Chickens."

There is a loan of \$100,000 in Missouri for raising turkeys. There are various types of loans, all of which would come under "Poultry Raising."

One loan is for \$225,000 and again is marked for a poultry breeding farm.

Mr. Barnes' own report discredits that which he is trying to say. I shall incorporate in the *RECORD* later the list as furnished by the Small Business Administration of poultry loans, an industry to which Mr. Barnes says he is not extending credit.

Quoting further from Mr. Barnes' letter:

The Small Business Act prohibits the Small Business Administration from duplicating the functions or activities of other Government agencies.

Earlier I listed in the *RECORD*—and the list is still available to anyone—six different Government agencies canvassing loans to poultry farmers and other farmers of America. If that is not duplication, I should like to have Mr. Barnes' definition of duplication.

Some of the farmers have loans from several different Government agencies at the same time. One of the favorite tricks is that one agency will make a loan, and another agency will come along and bail out the first agency so as to keep the loans current. Today six different Government agencies are canvassing the same area and the same type of farmers and are making the same type of loans. That statement cannot be disputed.

Continuing from Mr. Barnes' letter:

It is our position that this precludes the Small Business Administration from extending financial support to agricultural enterprises as this field has been given by Congress to the Department of Agriculture.

If the Small Business Administration is precluded from making loans in the agricultural field, why is it pouring out millions of dollars to this industry? In 2 months it poured out \$2 million in this one industry. Yet Mr. Barnes says that he is precluded from making loans in the agricultural field, which comes under the jurisdiction of the Department of Agriculture.

Mr. Barnes' letter is a typical bureaucratic letter; it says one thing in one paragraph, then wobbles around for three or four more paragraphs in an effort to explain the first, and then winds up with an entirely different version. Reading further from Mr. Barnes' letter:

It appears to me, therefore, that under the Small Business Act it is my plain duty to continue to approve the extension of

credit to those eligible applicants in the poultry industry who meet our general credit requirements.

His plain duty, as he calls it, is to continue to make loans which, in the first part of the letter, he says he has not been making. At the same time, he sends along a list showing loans to the extent of several million dollars, all of which have been made during the time he says he has not been making loans to expand this industry.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks Mr. Barnes' letter of July 30, 1959, together with a copy of the list of loans which had been made after April 30, 1959.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

SMALL BUSINESS ADMINISTRATION,

Washington, D.C., July 30, 1959.

The Honorable JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: My attention has been called to your recent statements regarding loans approved by this agency to firms in the poultry industry. I believe I should explain our position to you.

I recently furnished you with a list of all loans we had made to firms in the poultry industry up to April 30, 1959. Your statement appearing in the July 21, 1959, CONGRESSIONAL RECORD referred to a list of loans which we had approved during a recent 60-day period. Both of these lists included all loans made to firms in the industry regardless of the nature of the business of the borrower. The great majority of our loans to firms in the poultry industry have been made to processors of poultry and poultry products rather than to producers of these same products. To a large extent, therefore, the funds which we have loaned to the poultry industry have not contributed to the expansion of production. The Small Business Act prohibits the Small Business Administration from duplicating the functions or activities of other Government agencies. It is our position that this precludes SBA from extending financial support to agricultural enterprises, as this field has been given by Congress to the Department of Agriculture. We, therefore, attempt to ascertain whether an applicant is in a commercial business or whether his operation is primarily agricultural in order to determine whether he is eligible for assistance from this agency.

We recently developed, jointly with the Department of Agriculture, with whom we have been working for some time on resolution of our mutual eligibility problems, guidelines which we believe will clarify the areas of responsibility between the two agencies. These will be furnished field employees of both agencies and should be most helpful in determining further eligibility questions.

These guidelines generally provide that applicants engaged solely or primarily in the production of agricultural commodities (normally food and fiber) will be considered agricultural enterprises while those engaged solely or primarily in the purchase and resale of commodities, the manufacture, processing or marketing of commodities or the sale of services to the public, will be considered business enterprises. A chick hatchery will be considered a commercial business under these guidelines while raising of broilers from chicks purchased from the hatchery will not. Since the primary nature of an applicant's business operations will determine his eligibility, certain applicants will be

eligible for assistance from this agency although a portion of their total business is agricultural in nature.

Once the matter of eligibility for assistance from this Administration is determined, I believe the existence of overcapacity or overproduction in an industry can only be considered as a credit factor in determining whether a particular loan can be repaid from the earnings of the business. For example, where in a particular industry overproduction may have caused such a depression in prices that a borrower's earning ability has been jeopardized so as to raise a serious question as to his ability to repay a loan, then certainly we would not make the loan since under the law we must have assurance of repayment. We know of nothing in the Small Business Act or of anything in the

legislative history of that act and those which preceded it which would justify the denial of credit to the members of any particular segment of the economy as a class as a result of a determination of such overcapacity or overproduction.

It appears to me, therefore, that under the Small Business Act it is my plain duty to continue to approve the extension of credit to those eligible applicants in the poultry industry who meet our general credit requirements. We shall continue to assess the repayment ability of proposed borrowers in the light of all conditions in the industry which affect their operations, including overproduction and overcapacity.

Sincerely yours,

WENDELL B. BARNES,
Administrator.

SMALL BUSINESS ADMINISTRATION RELEASE—MAY 27, 1959

Name and address	Amount of loan	Number of employees	Nature of business	Type of loan
Gilmer County Industrial Development Corp., ¹ Ellijay, Ga.	\$234,000	200	Poultry processing plant.	Direct.
Tribur Poultry Co., Inc., Haleyville, Ala.	235,000	3	Poultry	Do.
Howard Egg Co., Lake Charles, La.	12,000	3	Wholesale eggs.	Do.
Herman J. Buscher, Brainerd, Minn.	35,000	2	Poultry farm	Participation.
Goodhue County Hatchery, Cannon Falls, Minn.	14,500	3	Hatchery	Do.
Allstate Hatchery, Willmar, Minn.	100,000	12	do	Do.
O. K. Hatchery, Zumbrota, Minn.	16,000	3	do	Do.
White Oak Acres, Inc., Monroe, N.C.	100,000	86	Poultry processing	Do.
Ed W. Worthington, Memphis, Tenn.	14,000	5	Eggs	Direct.
Laton M. Henderson, New Richmond, Wis.	60,000	2	Raising chickens	Participation.

SMALL BUSINESS ADMINISTRATION RELEASE—JUNE 23, 1959

Barber's Poultry, Inc., Broomfield, Colo.	\$200,000	100	Poultry processing	Participation.
Master Breeders Hatchery, Cherryvale, Kans.	20,000	6	Hatchery	Do.
Menorah Products, Inc., Boston, Mass.	10,000	8	Poultry processing	Direct.
Sandberg Poultry Farm, Granite Falls, Minn.	15,000	4	Hatchery	Participation.
Don's Produce, Centerville, S. Dak.	8,500	4	Egg and Poultry dealer.	Do.
Reneau Bros., Seguin, Tex.	150,000	90	Poultry processing	Do.

¹ This type loan authorized by sec. 502 of Public Law 699, 85th Cong., 2d sess. Law attached.

Mr. WILLIAMS of Delaware. An earlier report was received from the Small Business Administration on June 10, 1959.

Again, those loans were classified by his own agency as being loans to the poultry industry. We must remember that six different agencies are still making loans to this overexpanded industry. As an example of what another agency did I should like to read from a letter signed by R. B. McLeaish, Administrator of the Farmers Home Administration, in the Department of Agriculture, dated June 22, 1954. This absurd policy has been going on for a long time. At that time I called attention to the fact that a \$27,000 loan had been made to a top official in the Department of Agriculture who was working here in Washington drawing a salary of approximately \$8,000 a year. In the most recent Federal Register this man was still employed by the Department of Agriculture at a salary of \$10,535 annually. I quote from Mr. McLeaish's letter in which he describes the type of farmer who received this poultry loan. This was a \$27,000 loan. Reading from Mr. McLeaish's letter:

This particular loan is one which should never have been made, and I am grateful to you for raising questions which brought it to my attention.

Reading further:

The loan was made on March 14, 1951, to an individual employed by the Department

of Agriculture in Washington in the amount of \$27,000 under title V of the Housing Act of 1949.

Some of us, when we voted for the Housing Act, did not know that we were voting for loans to the poultry industry.

The loan was made by our county office at Troy, Ohio, on a farm the individual owns in Champaign County, Ohio. With the proceeds of the loan, plus additional funds and materials which he contributed, a commercial broiler house costing \$31,384 and a house costing \$6,258 were constructed.

Here was a top official in the Department of Agriculture, borrowing \$27,000 to build a commercial broiler house from an agency which was established to help the small farmer. That is a typical example of what is going on. And we have six different agencies trying to get rid of what they no doubt regard as surplus money of the taxpayers. They are pouring it out into an industry which the Department of Agriculture says is overproduced, and which everyone connected with the industry knows is overproduced. At the same time the Department of Agriculture is urging every segment of the industry to cut down production. Again, in the past 7 months more than \$19 million has been spent by the Department of Agriculture to support the egg market. I think it is time to ask Mr. Barnes and the rest of these bureaucrats how much longer they think the American taxpayers can support any such ridiculous extravagance.

Mr. President, I ask unanimous consent that the letter dated June 10, 1959, from Wendell B. Barnes, Administrator of the Small Business Administration, together with his accompanying table, be printed in the RECORD at this point as a part of my remarks. This is their first report giving a list of poultry loans by this agency prior to April 30, 1959.

There being no objection, the letter and table were ordered to be printed in the RECORD.

SMALL BUSINESS ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, D.C., June 10, 1959.
The Honorable JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: This is in further reply to your letter of May 22, 1959, in which you requested information concerning loans approved to concerns in the poultry industry.

The attached cumulative list prepared by our Machine Records Unit, contains all loans approved through April 1959. It will be not-

ed that 36 of these loans were reported in a list enclosed with my letter to you dated April 24, 1957, which was cumulative through February 15, 1957, the balance of 64 loans having been approved between February 15, 1957 and April 30, 1959.

I trust that the information as submitted in this form will be satisfactory to you. If further information is desired, please do not hesitate to call upon me.

Sincerely yours,

WENDELL B. BARNES,
Administrator.

[Enclosure.]

Small Business Administration—Business loans approved to operators of hatcheries and poultry farms cumulative through April 1959

Location	Name	Interest rate (percent)	Maturity term (months)	SBA participation (percent)	Total amount approved
Alabama:					
Haleyville.....	The Kidd Co.....	5.5	60		\$37,000
Heflin.....	Irving Bodner.....	6.0	60	75	15,305
Arizona:					
Phoenix.....	Harvey Hayes, et al.....	6.0	60	75	10,000
Tucson.....	Irven E. Gee Hatchery & Poultry Farm.....	6.0	60	75	10,000
Do.....	Milton R. Vanderkolk, et al.....	6.0	120	90	40,000
Arkansas:					
Cleveland.....	Troy Henley.....	4.5	60		3,000
Danville.....	Bakers Hatchery.....	6.0	120		61,000
Morrilton.....	Robert A. Bowie.....	4.5	120		10,000
Rison.....	Turner Feed & Poultry Co.....	5.5	60		40,000
Star City.....	Spencer Poultry Farm.....	4.5	60		15,000
California:					
Fontana.....	Austin Hatchery, Inc.....	6.0	60		10,000
Turlock.....	Mowrer Farms.....	5.5	120		242,429
Yucaipa.....	Roy D. Mauldin, et al.....	6.0	48		7,652
Colorado: Arvada.....	Colorado Egg Ranch, Inc.....	6.0	84	75	15,000
Connecticut:					
Pomfret Center.....	Idle Wild Farm, Inc.....	6.0	72	80	175,000
Thompsonville.....	Pilch's Poultry Breeding Farms, Inc.....	6.0	120		225,000
Florida: Keystone Heights.....	Erwin Paul Menzen.....	6.0	60	67	60,000
Georgia:					
Cleveland.....	Crenshaws, Inc.....	6.0	60	75	30,000
Cumming.....	G. H. Ledbetter Feed & Poultry Co.....	6.0	60	75	10,000
Dahlonega.....	Putney Farms, Inc.....	6.0	84	75	50,000
Do.....	Putney Hatchery.....	6.0	60	75	20,000
Hiwassee.....	Hiwassee Hatchery.....	6.0	60		15,000
Do.....	Youngs Egg Service, Inc.....	5.5	120		200,000
Do.....	Youngs Egg Service, Inc., et al.....	6.0	60		50,000
Hoschton.....	A. W. Thompson Hatchery, Inc., et al.....	6.0	120	75	125,000
Rossville.....	Fernwood Poultry Farm & Hatchery.....	6.0	62		20,000
Idaho: Twin Falls.....	Berties Poultry Farms, Inc.....	6.0	120	90	152,500
Illinois: Franklin.....	Nelson Poultry Service.....	6.0	60	75	16,200
Indiana:					
Albion.....	Don Smith, Inc.....	5.0	120	75	50,000
Goshen.....	Pine Manor, Inc.....	5.0	60	80	60,000
Grabill.....	Shaws Dressed Poultry.....	6.0	60	65	22,500
Knightstown.....	Diamond Hatchery.....	6.0	60	75	15,000
Iowa:					
Delmar.....	La Vern Waugh.....	6.0	60	75	5,000
Garrison.....	Garrison Hatchery.....	6.0	60	60	20,000
Humboldt.....	Bayse Hatchery & Produce.....	6.0	72	50	60,000
Do.....	do.....	6.0	72	50	60,000
Iowa City.....	Maas Enterprises, Inc.....	6.0	60	75	20,000
Do.....	do.....	6.0	108	75	50,000
Le Mars.....	Le Mars Hatchery.....	5.0	120	75	60,000
Lenox.....	Lenox Hatchery & Produce.....	6.0	60	75	12,000
Lytton.....	Lytton Hatchery.....	6.0	120		8,000
Northwood.....	Grundmeier Hatchery.....	6.0	60	75	10,000
Storm Lake.....	Vilas & Co.....	4.5	117	90	200,000
Wall Lake.....	Neppi Hatchery & Produce.....	6.0	60	75	13,000
Kansas:					
Alma.....	Carey Hatchery.....	6.0	60	75	10,000
Cherryvale.....	Master Breeders Hatchery.....	6.0	60	75	16,000
Holsington.....	W. C. Mayfield.....	6.0	60	75	16,500
Newton.....	Berrys Hatchery.....	5.5	24		12,000
Wathena.....	Wathena Hatchery.....	6.0	60	50	6,500
Wichita.....	Quality Poultry Farms, Inc.....	6.0	120		25,900
Winfield.....	Winfield Hatchery.....	6.0	120	80	20,000
Maine: Lubec.....	Seaboard Poultry Co.....	5.5	96		18,000
Massachusetts:					
Seekonk.....	Irving L. Dickens et al.....	6.0	60	75	20,000
Sudbury.....	Featherland Farms, Inc.....	6.0	24	75	12,000
Michigan: Hemlock.....	Hess Michigan Duck Farms.....	5.5	120	89	280,000
Minnesota:					
Battle Lake.....	Paul Deutsch.....	6.0	120	90	60,000
Frazee.....	Anderson Turkey Hatchery.....	6.0	120	75	35,000
Greenbush.....	George Burkel.....	6.0	60	75	130,000
Litchfield.....	Baumgartners Poultry Farms, Inc.....	6.0	72		13,000
Menahga.....	Dixie K Hatchery.....	6.0	36	75	15,000
Do.....	do.....	6.0	20	75	13,750
North Branch.....	Krueger Poultry Farms.....	6.0	120		60,000
New Germany.....	Dahlke Hatchery.....	6.0	60		8,000
Park Rapids.....	John W. Fuhr.....	6.0	72		12,000
Rochester.....	Rochester Turkey Hatchery, Inc.....	6.0	120	90	250,000
St. Cloud.....	Jack Frost Hatchery Co.....	5.5	120	75	80,000
Do.....	Lynch Hatchery & Poultry Farm.....	6.0	120	75	35,000
Mississippi: Pontotoc.....	Chiwappa Farms.....	6.0	60		25,000
Missouri:					
Clinton.....	Quality Chick Hatchery.....	6.0	58	45	10,000
Garden City.....	L. Dall Wright.....	7.5	84	75	30,000
La Plata.....	Hill Turkey Farms & Hatchery.....	6.0	96	90	100,000
Richmond.....	Alders Hatchery & Alders Farm.....	6.0	120	90	20,000
West Plains.....	Broadway Egg Co.....	6.0	60		5,000
Montana: Roundup.....	J. W. Sanner, et al.....	6.0	120		12,000

See footnote at end of table.

*Small Business Administration—Business loans approved to operators of hatcheries and poultry farms
cumulative through April 1959—Continued*

Location	Name	Interest rate (percent)	Maturity term (months)	SBA participation (percent)	Total amount approved
Nebraska:					
Crawford	Norgard Hatchery	6.0	120	75	\$45,000
Creighton	Creighton Feed Store	5.5	36		2,500
Dodge	Roland F. Werblow	5.0	60	75	16,000
York	Holcomb York Hatchery, Inc.	6.0	60	50	20,000
New Hampshire: Groveton	Newsom Poultry Farm	6.0	60	75	20,000
New York: Palmyra	Hidden Acres Turkey Farm	6.0	60	75	8,000
Ohio:					
Marystown	Kennitzer Colonial Hatchery	6.0	36	75	7,000
Do	do	6.0	60	90	17,000
Oregon: Central Point	Korner Farm	5.5	60		12,000
South Dakota: Veblen	Reviers Hatchery	5.5	60	70	10,000
Tennessee:					
Armthwaite	Irene T. Ellis	6.0	60	75	10,000
Oneida	Plateau Hatchery, Inc.	5.5	60	90	35,000
Texas:					
Alanco	Russell A. Singleton & Sons	6.0	120		65,000
Gilmer	Pooles Poultry	5.5	120	90	70,000
Virginia:					
Broadway	Hilltop Hatchery, Inc.	6.0	84	75	100,000
Stuarts Draft	Weaver Feed Co., Inc.	6.0	120		140,000
Wisconsin:					
Chippewa Falls	Redwood Farm	6.0	120	70	38,000
Clinton	Clinton Hatchery & Implement Co.	6.0	36	50	20,000
Evansville	May Bros, Inc.	6.0	120	70	90,000
Do	do	6.0	60	50	6,000
Franksville	C. & D. Duck Co., Inc.	5.0	120	75	100,000
Grand Marsh	Edmund L. Mateczynski	6.0	120	75	30,000
Do	John Ziellinski	6.0	48	65	8,500
Merrill	Merrill Hatchery	5.5	84		5,000
Thiensville	Seymour Mayor Levenson	6.5	60	50	12,000
Weyerhaeuser	Wrights Turkey Farm	5.0	120	67	30,000
Total (100 approvals)					4,469,236

¹ Canceled in full subsequent to approval.

WASTE IN MILITARY PURCHASING METHODS

Mr. SPARKMAN. Mr. President, I have repeatedly been bringing to the attention of the Senate and the executive branch of our Government unarguable evidence of inefficient and wasteful non-competitive practices by the Department of Defense in its purchasing activities. Again last week I showed how more than two-thirds of the \$15 billion spent by the Defense Department for goods and services in the first 9 months of fiscal year 1959 went to only a few companies as a result of negotiated contracts. The contracts were let largely without the benefit of price competition. This certainly is one explanation of the astonishing fact that just 20 corporations have managed to obtain 52 percent of the net value of all military prime contracts.

My observations of the military purchasing practices have made it necessary for me to form two opinions. The first opinion is that in its total effect upon our economy, the Department of Defense has become a prime factor in contributing to inflation. By its failure to apply sound economic principles and by its seeming indifference to the value of money, the Department of Defense has contributed substantially to the depreciation of the dollar, to increasing the cost of living, and finally, to unbalancing the budget.

One of our chief economic goals is and must be to bring the national budget into balance and bring a stop to inflation by restoring to the dollar its former purchasing power. Yet, the net effect of the Defense Department's noncompetitive buying and contracting practices is to

cheapen continually the dollar and to throw the national budget further out of balance by spending unnecessarily millions upon millions of the taxpayers' money because procurement officials either lack the ability or the will to let contracts on a businesslike, money's worth, competitive bid basis.

The second inescapable conclusion to which I have been drawn is that if the public were fully informed on the wasteful noncompetitive contracting practices of the Department of Defense, the taxpayers of this country would themselves demand a change of procurement procedure.

Let me illustrate this point. On July 16, a high-ranking official of the Navy Department told a subcommittee of the House Armed Services Committee that Navy procurement officers had done, in his words, "a bad job" on 14 contracts. Just how bad a job this was may be understood when this official added that the Navy may have been overcharged by more than \$12 million on these 14 contracts.

Now let us look at this regrettable situation from the point of view of an average taxpayer. The largest adjusted gross income group of taxpayers is that with incomes between \$5,000 and \$6,000 a year. In the most recent tax year for which data are available, the taxpayers within this biggest group paid an average tax, after credits, of \$537.

Mr. President, it would take the Federal income tax payments of 22,346 such taxpayers to make up for this \$12 million contract waste.

Is it any wonder that these 22,346 individuals and heads of households, many of them in debt and many of them having to go further in debt to get the money

together to pay their income tax, might well feel that so far as the Federal Government getting any good from their tax dollars is concerned, they might just as well have put a match to their checks or money orders when they mailed in their tax returns.

Is it any wonder, Mr. President, that I say that the taxpayers would demand a change in procurement practices if the public but realized the full extent to which military contracting officials are spending millions and millions of their hard-earned tax dollars for goods and services because they refuse to take advantage of the savings that inevitably come from open competitive bids.

I do not want to leave the impression that the Navy Department is alone responsible for wasting money. Every week, almost like clockwork, the Comptroller General, the watchdog of the treasury, issues reports of his audits of military contracts. These reports show that each of the military services is negotiating contracts without real and meaningful price competition which result in the irreparable and unnecessary loss of millions upon millions of dollars resulting from a succession of so-called bad procurement jobs.

I regret to say, Mr. President, that the lack of true and meaningful competition in the awarding of defense contracts seems to be the result of a military agencywide policy adopted by the Defense Department's top procurement officials. I should like to believe that these gentlemen, most of whom were formerly top executives in the world of business, are sincerely interested in conducting their \$21½ billion a year defense buying program in the most efficient and economical manner.

The evidence before me suggests the contrary. Again let me illustrate. Back in April I told the Senate that just one economy-minded buying office of the Navy, the Ships Parts Control Office at Mechanicsburg, Pa., had managed to save an average of 70 percent on the purchase price of some 42 products by the simple expedient of opening up these purchases to free and open competitive bidding instead of negotiating for each of these products with one supplier.

I also wrote to the Secretary of Defense, saying that this effort to achieve sensible economies by the Navy office at Mechanicsburg might well serve as a pattern to be followed by his Department's purchasing offices throughout the country.

Six weeks later I received a reply from another Defense Department official thanking me for my interest. The reply then went on to state that the instruction on which this economy campaign at Mechanicsburg was based "is designed to the particular conditions and needs of the Ships Parts Control Center and would not have general usefulness in other purchasing activities."

At that time I wondered why, if money could be saved by competitive bidding at one Navy office, it could not also be saved by the same methods at other military purchasing installations. I am still wondering.

Indeed, Mr. President, wonderment must be the dominant state of mind of anyone contemplating some Defense Department purchasing attitudes.

For example, on July 20, a representative of the Defense Department appeared before the Small Business Subcommittee of the Senate Banking and Currency Committee in opposition to S. 2032. One purpose of this bill, which I introduced on May 21, is simply to afford our smaller firms greater opportunities to bid and participate competitively in the defense procurement program at the subcontracting level. A second purpose is to strengthen further the hand of the Small Business Administration in issuing certificates of competency to small business concerns.

I should like here to say just a word about how the Small Business Administration has used the certificate of competency authority to save taxpayers money. Briefly, the SBA can certify the competency of qualified, responsible small business bidders when the contracting officials of the Defense Department tell the low bidding small businessman he is being ruled out because he is

not capable of performing the contract in question.

I received only last week from the Small Business Administration a detailed report on its certificate of competency program. The report showed that since we first provided for the program, through June 30, 1959, the SBA certified to the competency of 553 small business concerns. The value of the contracts covered by these certificates was approximately \$88,600,000.

The point here is that this is in essence a money-saving program. As a direct result of issuing these 553 certificates to small business concerns, the difference between the low bid of these concerns and the prices quoted by the next higher bidders, who would have received the contracts had the certificates not been issued, came to \$8,200,000. This is how much the Government and the taxpayers saved.

This, of course, represents only verifiable savings. Some 220 applications for certificates with a value of \$57 million were withdrawn as no longer necessary when the Defense Department contracting officials later agreed informally with the Small Business Administration that the small-business bidders were after all competent to perform the contracts in question. These also represent savings to the Government.

Now, a saving of more than \$8 million as a result of competitive bids from small enterprises may not seem like much money in this day of such huge and unbalanced budgets. But I am certain that it would seem worth saving to the taxpayers who are footing our national defense bill and seeing taxes play havoc with their own family budgets.

The value of this \$8,200,000 saving becomes really meaningful when we take note that it represents approximately one-half of the total amount which the Senate and House last week provided for stepping up our fight to lick our No. 1 killer, heart disease, through increased medical research and training. The administration opposed every dollar of this increase as inflationary.

I notice with great interest that certificates of competency were issued by the SBA during 1958 and 1959 to six small-business concerns in my own State of Alabama. As a result of the certificates in three verifiable cases, Alabama small-business concerns saved the Defense Department \$49,955. I share the pride of these Alabama concerns in the fact that they were able to contribute this much to the fight against inflation of the dollar and toward balancing the budget.

In order that the Members may have the opportunity to observe the record of small-business savings within their own States, I ask unanimous consent, Mr. President, to have printed in the Record at this point as a part of my remarks a document entitled "Certificates of Competency Issued and Disposition of Cases, August 1, 1953, Through June 30, 1959," prepared by the Small Business Administration.

There being no objection, the document was ordered to be printed in the Record, as follows:

CERTIFICATES OF COMPETENCY ISSUED AND DISPOSITION OF CASES, AUGUST 1, 1953, THROUGH JUNE 30, 1959

(Prepared by Small Business Administration, Office of Procurement and Technical Assistance, July 24, 1959)

FOREWORD

This report is a summary analysis of the certificate of competency (COC) actions which resulted in the issuance of a COC to Government contracting officers in behalf of small business firms from August 1, 1953, through June 30, 1959, and shows by States the applicant firm and location, COC and date certified, procuring agency and bid number, item, contract amount (or bid amount if not awarded to certified firm), estimated savings to the Government, and remarks concerning disposition of COC.

During that period 1,172 COC applications amounting to approximately \$240 million were received by SBA, of which 393 applications amounting to approximately \$92,100,000 were declined; 219 applications amounting to approximately \$57 million were withdrawn due in part to favorable SBA survey evaluations resulting in awards without requiring a COC; and seven applications amounting to approximately \$700,000 were pending final action as of June 30, 1959.

A total of 553 COC's was issued during the period of August 1, 1953, through June 30, 1959, representing contracts amounting to approximately \$88,600,000. This recapitulation by States shows that the estimated savings to the Government through the issuance of COC's is approximately \$8,200,000. This estimate is based on the actual tabulated savings which could be determined definitely from case records, with the average percentage of savings projected to the total contract amount for all COC's issued. The asterisks in the savings column of the tabulation denote those cases for which data on actual savings were not immediately obtainable.

Analysis of the individual case performance with respect to the COC's issued by the Small Business Administration indicates that of the total number of 553 issued, 91 are active; 12 are awaiting award; 19 were awarded to other companies; 16 were terminated for default; 7 were terminated for convenience of the Government; 32 procurements were withdrawn or canceled; and 376 contracts have been completed.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
ALABAMA						
Alabama Bridge & Iron Co., Talladega, Ala.	V-115, May 18, 1959...	Robins AFB IFB-09-603-59-536.	Aircraft missile engine trailer lift, plus technical data.	\$328,830.00	\$29,500	Contract in process.
Centre Manufacturing Co., Inc., Centre, Ala.	V-96, Oct. 15, 1958....	MCTSA, Philadelphia, IFB-QM-(OTM)-36-243-59-109.	Men's cotton, tan, summer service jackets.	313,586.00	6,205	Contract completed ahead of schedule June 4, 1959.
Do.....	V-10 5 Feb. 12, 1959....	Philadelphia Quartermaster Depot, IFB-QM-36-243-59-Neg. 330.	Overcoats.....	12,693,927.00	-----	Procurement withdrawn by procuring agency Apr. 9, 1959.
Choctaw Manufacturing Co., Inc., Siles, Ala.	V-26, Mar. 23, 1956....	Philadelphia Quartermaster Depot, IFB-QM-36-030-56-440.	Men's cotton trousers.....	89,625.00	(*)	Contract completed on schedule Sept. 20, 1956.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
ALABAMA—continued						
Choctaw Manufacturing Co., Inc., Silas, Ala.	V-74, Jan. 7, 1958.....	Philadelphia Quartermaster Depot, IFB-QM-(CTM)-36-243-58-268.	Men's cotton khaki trousers.	\$101,784.00	\$14,250	Contract completed behind schedule Aug. 18, 1958. The company was directed to change labels by an unconfirmed official call. Inspection rejected the new labels. There was also a delay in receipt of Government-furnished cloth. Contract in process.
General Electronics Co., Inc., Montgomery, Ala.	V-110, Apr. 2, 1959....	USASSA, Philadelphia, IFB-SC-36-039-59-821-CL.	Special purpose electrical cable assembly.	14,444.00	(*)	
Project Engineers, Inc., Birmingham, Ala.	V-89, Aug. 19, 1958....	Redstone Arsenal, RFP-PE-7150-58-S1.	Engineering and drafting services through May 31, 1959.	80,046.00	(*)	Term contract completed.
Technical Services, Inc., Fairhope, Ala.	V-93, Sept. 19, 1958....	Brookley AFB, IFB-01-601-58-492.	Photographic projection printer.	4,675.00	(*)	Contract completed on schedule June 4, 1959.
ARIZONA						
H & R Transfer & Storage Co., Phoenix, Ariz.	XIV-68, Apr. 8, 1959..	USASSA, Fort Huachuca, IFB-SC-36-039-59-2270.	Packing, crating, storage and delivery of household goods and miscellaneous supplies.	30,000.00	-----	Procurement withdrawn June 12, 1959.
ARKANSAS						
General Paving Co., Inc., Little Rock, Ark.	X-75, Feb. 4, 1959.....	Little Rock AFB, IFB-03-602-59-28.	Labor and materials necessary to repair asphalt pavement on base.	8,549.00	(*)	Contract in process.
Aero Safety Equipment Co., El Monte, Calif.	XIV-26, Jan. 17, 1957..	ASO-Philadelphia, IFB-383-1072-57.	Safety belts, lap type.....	15,473.00	-----	Contract awarded to another company Apr. 18, 1957.
Do.....	XIV-27, Jan. 17, 1957..	ASO-Philadelphia, IFB-383-1029-57.	Safety belts and harnesses..	636,239.00	-----	Do.
All American Aircraft Products, Inc., Harbor City, Calif.	XIV-55, Aug. 15, 1958..	ASO-Philadelphia, IFB-383-917-58.	Bomb hoisting band.....	113,080.00	29,384	Contract in process.
Anchor Equipment Co, San Francisco, Calif.	XII-25, Jan. 3, 1958....	GSSO, Philadelphia, IFB-155-(3)-1051-58.	Steel valves.....	26,224.00	(*)	Contract completed ahead of schedule May 15, 1958.
Do.....	XII-26, Jan. 22, 1958....	GSSO, Philadelphia, IFB-155-(3)-1081-58.	Steel gate valves.....	19,600.00	(*)	Contract completed ahead of schedule May 27, 1958.
Ball Bearing Co., San Francisco, Calif.	XII-10, Apr. 20, 1955..	Memphis Air Force Depot, IFB-40-604-55-73.	Ball bearings.....	2,600.00	60	Contract completed on schedule Oct. 28, 1955.
Do.....	XII-12, Apr. 22, 1955..	Memphis AFB, IFB-40-604-55-75.	do.....	2,568.00	574	Contract completed ahead of schedule July 20, 1955.
Bentley Moving & Storage Co., Concord, Calif.	XII-11, Apr. 21, 1955..	Parks AFB, IFB-04-627-55-23.	Moving and crating services.	29,733.00	18,144	Contract completed on schedule Mar. 31, 1956.
Cadillac Canvas Co., El Monte, Calif.	XIV-20, June 22, 1959..	GSSO, IFB-155-3-1456-56..	Aluminum transom berths..	23,700.00	4,376	Contract completed ahead of schedule Nov. 23, 1956.
California Laundry & Equipment Co., Oakland, Calif.	XII-30, May 6, 1958....	Shipments Parts Control Center, Mechanicsburg, IFB-104-358-58.	Commercial, centrifugal-type extractors, laundry.	122,139.00	9,133	Contract in process.
Curtis Laboratories, Inc., Los Angeles, Calif.	XIV-53, June 23, 1958..	Fort Monmouth, RFP-672-PM-58-93-93.	Control master, aircraft and camera LAO, and aircraft camera maintenance LAO, plus spare parts and technical data.	458,957.00	-----	Contract was canceled for convenience of Government May 29, 1959.
Engineering Associates, Los Angeles, Calif.	XIX-35, June 17, 1957..	NPO, Washington, D.C., IFB-600-1588-57.	Rotary binding machines, hydraulic, pipe, and tube.	95,700.00	4,020	Contract completed behind schedule. Some development was required. About 6 weeks lost awaiting shipping instructions. Delivery was late about 2½ months total.
Charles V. Fernstrom Co., Oakland, Calif.	XII-7, Jan. 7, 1955....	ASMPA, MPA-30-287-MD-55-186.	Palmer perineal board.....	13,650.00	(*)	Contract completed on schedule, May 26, 1955.
Hammond Manufacturing Co., Pasadena, Calif.	XIV-11, May 18, 1954..	Wilkins AFB, RFP-33-602-54-3259.	Bomb trailers.....	543,730.00	86,734	Contract completed on schedule, Apr. 25, 1956. Contract was far ahead of schedule, but Government administrative delays in provisioning spare parts list caused a 4-month delay in final completion.
Do.....	XIV-13, May 18, 1954..	Wilkins AFB, RFP-33-602-54-3050.	Docks.....	660,345.00	4,105	Contract completed behind schedule Apr. 30, 1956. Most of the delay, 5 months, was caused by waiting for procuring agency approval and inclement weather.
The Handley Co., Culver City, Calif.	XIV-9, Apr. 5, 1954....	Wilkins AFB, IFB-33-602-54-72.	Extinguisher assemblies for fire extinguishers.	118,422.00	6,879	Contract completed ahead of schedule, Aug. 15, 1954.
Himalayan Pak Co., Inc., Monterey, Calif.	XII-20, May 6, 1958....	QM Res. and Eng. Command, Natick, RFP-126-C.	Design, development, and fabrication of prototype alpine and arctic individual load carrying, plus drawing.	5,350.00	(*)	Contract completed on schedule Nov. 22, 1958.
Hubbs Equipment Co., Colton, Calif.	XIV-21, June 27, 1956..	Norton AFB, RFP-PPRS-2-56-130.	Inspection and repair of commercial vehicles.	77,845.00	(*)	Contract completed on schedule, Mar. 5, 1957.
Industrial Design Laboratories, Inc., Culver City, Calif.	XIV-37, July 17, 1957..	Tinker AFB, IFB-34-601-57-441.	Air valve assemblies.....	24,206.00	(*)	Contract completed ahead of schedule, May 20, 1958.
Kelly Original French Laundry, San Diego, Calif.	XIV-77, June 30, 1959..	NPO, Los Angeles, IFB-123-522-59.	Laundry services for fiscal year 1960.	47,078.00	-----	Contract not yet awarded.
Los Angeles Air Service, Inc., Hawthorne, Calif.	XIV-60, Dec. 15, 1958..	Scott AFB, IFB-11-626-59-3-CAB.	Air transportation services..	998,832.00	(*)	Contract in process.
Oates Products Co., Inc., El Monte, Calif.	XIV-30, Feb. 28, 1957..	Norton AFB, RFP-PPRS-3-57-14, Misc. 57-LP-6136.	Reclamation of hardware....	32,600.00	-----	Withdrawn Sept. 18, 1957.
On Mark Engineering Co., Van Nuys, Calif.	XIV-38, Oct. 30, 1957..	McClellan AFB, RFP-PR-SM-8-01A-2009.	Modification and flight test of T-33 type aircraft.	85,782.00	-----	Procurement canceled, Jan. 20, 1958.
Specht Precision Machine, Baldwin Park, Calif.	XIV-56, Sept. 22, 1958.	Brookley AFB, IFB-14-604-59-60.	Bolt, corrosion resistant, steel bolt.	5,400.00	-----	Labor and material costs underestimated by contractor, whose financial situation deteriorated. Contract terminated for default, Apr. 28, 1959.
COLORADO						
Broadway Auto Top Manufacturing Co., Denver, Colo.	XI-2, Dec. 23, 1953.....	NYQMPA, IFB-QM-30-280-54-96.	Tent window sashes.....	55,580.00	3,220	Contract completed ahead of schedule July 7, 1954.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
CONNECTICUT						
Barth Engineering & Manufacturing Co., Inc., Milldale, Conn.	II-124, Apr. 4, 1956	NPO, Washington, IFB-600-534-56.	Radiosonde receptors	\$221,107.00	\$26,106	Contract was completed 6 months late Nov. 28, 1958. Some delay was caused by a casting subcontractor. Other delays were caused by lack of shipping instructions and an unfamiliar inspector.
Bewley Engineering Corp., Southport, Conn.	II-255, Aug. 26, 1957	Tinker AFB, RFP-34-601-58-468.	Hydraulic reservoirs	10,232.00	(*)	Contract completed ahead of schedule, Nov. 29, 1957.
Cardwell Condenser Corp., Plainville, Conn.	II-248, June 28, 1957	Dayton AFB, RFP-33-604-57-2477.	Radio frequency tuner with variable capacitors.	116,400.00	(*)	Electrical requirements were extended by procuring agency Oct. 31, 1958. This required increased hand operation and more time for adjustment. Final delivery was made 5 months late.
Crescent Communications Corp., New London, Conn.	II-235, May 23, 1957	USASSA, Philadelphia, IFB-SC-36-039-57-2159-56.	Impedance bridges	192,484.00	(*)	The contract was reinstated 7 months after a default action for failure to deliver an acceptable first article. The contractor is currently performing, and because of other work subcontracted the entire requirement to a company acceptable to the Signal Corps.
Electro-Mechanics, Inc., New Britain, Conn.	II-146, May 15, 1956	USASSA, Philadelphia, IFB-SC-36-039-56-10828-58.	Switch assemblies	44,540.00	(*)	Contract, completed on schedule, December 21, 1956.
Engineered Wire & Cable, Inc., Winsted, Conn.	II-194, Dec. 17, 1956	USASSA, Philadelphia, IFB-SC-36-039-57-979-56.	Telephone cable	11,638.00	2,413	Contract completed behind schedule, August 2, 1957. Delays in Government inspection both at subcontractor and prime contractor's plant contributed. Carton supplier added to delay.
Metronix, Inc., Waterford, Conn.	II-185, Oct. 24, 1956	WPAFB, IFB-33-600-56-167.	Amplifier equipment and technical data.	19,475.00		Procurement withdrawn Oct. 29, 1956.
Monarch Products Co., Waterbury, Conn.	II-186, Oct. 29, 1956	Topeka AFB, IFB-14-604-57-234.	Aircraft bolts	33,955.00	(*)	The company completed about 1/4 of the contract when it failed after 16 years of operation. There were financial and management difficulties that were not anticipated. The contract was terminated by default Feb. 5, 1958.
New London Instrument Co., New London, Conn.	I-21, Jan. 8, 1954	USASSA, Philadelphia, IFB-SC-36-039-54-10303-36.	Control radio sets	160,868.00	11,162	Contract was completed 19 months late, Dec. 13, 1956. Much development was required and time lost in obtaining Government approval of components; improper wiring instructions, specifications for unobtainable wire, delay in approval of pilot model, a fire in the transformer plant, and subcontractor deliveries all contributed to the delay.
Park City Electronic Laboratory, Inc., Bridgeport, Conn.	II-161, June 15, 1956	USASSA, Philadelphia, PD-57/585-41468.	Resistor subassemblies	17,140.00	(*)	Contract completed ahead of schedule, Dec. 21, 1956.
Do.	II-165, June 19, 1956	USASSA, Philadelphia, PD-57/526-60152.	Mounting base supports	1,590.00	(*)	Contract was late in completion due to delays in Government tooling by the contracting agency, Oct. 2, 1956. Parts of the tooling, when received, were deficient and had to be replaced.
Polycast Corp., Stamford, Conn.	II-263, Oct. 8, 1957	GSSO, Philadelphia, IFB-155-(1)-2488-57.	Acrylic plastic sheets	34,637.00	(*)	Contract completed ahead of schedule, Dec. 12, 1957.
Geo. S. Scott & Sons Manufacturing Co., Inc., Wallingford, Conn.	II-372, June 16, 1959	ASMPA, IFB-62851-062-59.	Noise-protection earplugs, medium size.	19,699.00	(*)	Contract in process.
Tecco Corp., Norwalk, Conn.	II-360, Mar. 26, 1959	Army Ordnance Corps, Springfield, IFB-Ord-19-058-59-21.	Investment casting	46,073.00	(*)	Do.
Troy Laundry & Dry Cleaners, Inc., New London, Conn.	II-265, Oct. 24, 1957	USN Submarine Base, New London, IFB-129-42-58.	Laundry services as required through June 30, 1958.	19,000.00	(*)	Term contract completed.
DELAWARE						
Delaware State News, Inc., Dover, Del.	III-102, May 17, 1957	Dover AFB, IFB-07-603-57-116.	Publication of newspaper	30,408.00		Procurement withdrawn September 1957. Official notification from contracting officer Oct. 28, 1957.
DISTRICT OF COLUMBIA						
Anderson Electric Co., Washington, D.C.	IV-39, Feb. 20, 1957	Bureau of Engraving and Printing, Washington, IFB-BEP-92.	Air conditioning and refrigeration installation.	174,400.00	3,100	Contract, completed on schedule, Feb. 4, 1958.
Coen Co., Inc., Washington, D.C.	IV-71, Mar. 13, 1958	BuShips, PR-373-1	Technical writing services	20,005.00	2,144	Contract, completed on schedule, Apr. 30, 1959.
Developmental Engineering Corp., Washington, D.C.	IV-69, Feb. 21, 1958	USASSA, Washington, D.C., RFP-SC-36-039-10132-58.	Services and materials to install a horn receiving antenna.	996,954.00	(*)	Contract in process.
The Letterex Corp., Washington, D.C.	IV-51, June 25, 1957	GSA, New York, IFB-FNGN-ID-2815-A-5-22-57.	Manifold carbon paper sets	105,482.00	(*)	Contract, completed on schedule, Jan. 31, 1958.
Petroleum Equipment Co., Inc., Washington, D.C.	IV-88, Nov. 12, 1958	Bureau of Engraving and Printing, Washington, IFB-BEP-101.	Purchase and installation of 2 gasoline storage tanks, and related equipment.	6,479.00	(*)	Contract completed ahead of schedule, Feb. 18, 1959.

See footnotes at end of table.

CV—956

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
FLORIDA						
Aerosonic Corp., Clearwater, Fla.	V-88, Aug. 15, 1958....	WPAFB, IFB-33-600-58-261.	Pressure altimeter, type MA-1, and technical data.	¹ \$274,523.00	-----	COC was withdrawn Nov. 6, 1958, following a plant re-survey. The award had been delayed pending the availability of funds.
Do.....	V-117, June 4, 1959....	WPAFB, IFB-33-600-59-199.	Pressure altimeter, type MA-1, plus technical data.	¹ 118,200.00	-----	Procurement withdrawn, June 24, 1959.
Systems, Inc., Orlando, Fla.	V-108, Mar. 26, 1959....	BuShips, IFB-600-789-59-S.	Radiac set, AN PDRO PD, plus technical data and miscellaneous extras.	¹ 465,825.00	-----	Procurement withdrawn, Apr. 17, 1959.
GEORGIA						
Aero Corp., Atlanta, Ga....	V-59, June 12, 1957....	Army Transportation Corps, St. Louis, RFP-193B.	IRAN maintenance, stripping and repairing of L-19A type Army aircraft.	396,840.00	(*)	Contract completed on schedule, July 6, 1958.
Do.....	V-60, June 12, 1957....	Army Transportation Corps, St. Louis, RFP-199B.	Overhaul of engines for E-13 aircraft.	454,341.00	(*)	Contract completed behind schedule, Aug. 19, 1958. Supplier of carburetor parts did not deliver on time.
Benedetto Laundry, Macon, Ga.	V-118, June 8, 1959....	Robins AFB IFB-09-603-59-148.	Laundry and dry cleaning service.	24,598.00	(*)	Contract in process.
Georgian Furniture Manufacturing Co., Atlanta, Ga.	V-106, Feb. 12, 1959....	GSA—Washington, D.C., IFB-FSC, group 71, part II.	Furniture, open end contract.	60,000.00	(*)	Do.
Jebco, Inc., Jonesboro, Ga..	V-82, June 4, 1958....	Navy Elec., Great Lakes, IFB-126-430-58.	Electrical equipment cabinet, type Cy-597A/G.	98,088.00	\$1,007	Contract completed behind schedule, Jan. 5, 1959. Final deliveries were delayed 2 months. The contracting officer directed shipping units built on this contract against another contract awarded the firm without a COC. Adjustments in the delivery schedule were refused, but further contracts for the item were awarded the firm without reference to this Agency.
Do.....	V-99, Nov. 20, 1958....	USASSA, Philadelphia, IFB-SC-36-039-59-1452-A1.	Electrical equipment cabinets plus technical data.	19,173.00	(*)	Contract in process.
Do.....	V-107, Feb. 11, 1959....	GSA, Washington, D.C., IFB-FSC, Group 71, Part V.	Gray finish sectional steel cabinets.	313,224.00	(*)	Do.
Pan-Electronics Corp., Griffin, Ga.	V-80, Apr. 30, 1958....	USASSA, Philadelphia, RFP-SC-36-039-58-10118-81.	High temperature operating crystal units, plus technical data.	23,900.00	(*)	Do.
Do.....	V-81, Apr. 30, 1958....	USASSA, Philadelphia, RFP-SC-36-039-58-10103-81.	High precision crystal units, plus technical data.	19,900.00	(*)	Do.
ILLINOIS						
American Van Lines Inc., Chicago, Ill.	VII-15, July 18, 1955...	Headquarters, 5th Army, Chicago, IFB-AV-11-175-55-31.	Drayage services.....	170,310.00	(*)	Term contract completed.
Bullfrog Brands Inc., Chicago, Ill.	VII-55, June 26, 1957...	GSA, New York, IFB-ID-2815-A.	Manifold carbon paper sets..	115,435.00	(*)	Contract completed ahead of schedule, Mar. 31, 1958.
Consolidated Photo Engraving & Lithographers Equipment Co., Chicago, Ill.	VII-3, May 4, 1954....	WPAFB, RFP-319474.....	Copying and enlarging camera.	49,750.00	9,000	Contract awarded to another company.
Diversey Engineering Co., Franklin Park, Ill.	VII-27, Oct. 19, 1955...	Redstone Arsenal, ORD Proj. TU2-1033 PLB-56-23.	Proof slugs.....	23,333.00	(*)	Contract completed on schedule, Apr. 6, 1956.
Dorsan Wire & Manufacturing Co., Mundelein, Ill.	VII-2, Mar. 30, 1954....	Topeka AFD, IFB-14-604-54-304.	Wire on spools.....	56,789.00	100	Contract completed ahead of schedule, Sept. 28, 1954.
Do.....	VII-44, July 2, 1956....	Topeka AFD IFB-14-604-56-951.	Zinc coated steel wire.....	43,032.00	(*)	Contract completed behind schedule, Mar. 1, 1957. Contract completion delayed due to non-shipment of wire on schedule. Mill rolled 40,000 pounds which did not meet specifications.
Eagle Chemical Co., Chicago, Ill.	VII-22, Oct. 13, 1955...	Kelly AFB IFB-41-608-56-12.	Desiccant.....	27,500.00	(*)	Contract completed ahead of schedule, Feb. 10, 1956.
Do.....	VII-24, Oct. 13, 1955...	Topeka AFD, IFB-14-604-56-71.	do.....	74,836.00	(*)	Contract, completed on schedule, Jan. 9, 1956.
Empire Warehouse, Inc., Chicago, Ill.	VII-48, July 30, 1956...	Headquarters, 5th Army, Chicago, IFB-AV-11-175-56-66.	Moving services.....	34,171.00	(*)	Term contract completed.
Do.....	VII-49, July 30, 1956...	Headquarters 5th Army, Chicago, IFB-AV-11-175-56-65.	do.....	13,447.00	(*)	Do.
A. R. F. Products, Inc., River Forest, Ill.	VII-55, July 19, 1957...	WPAFB, IFB-33-600-57-106.	Glide slope and maintaining receivers, plus spare parts.	90,169.00	(*)	Contract completion behind schedule, Apr. 23, 1958. Delays were caused by procuring agency not issuing shipping orders for completed units.
Airborne, Inc., Chicago, Ill..	VII-36, Mar. 29, 1956...	NPO—Washington, D.C., IFB-600-749-56.	Starter generators.....	447,557.00	-----	The aircraft generator had been a sole source item. The company failed to deliver a first article which would meet specifications. Contract was terminated for default.
Alco-Deree Co., Chicago, Ill.	VII-8, Mar. 4, 1955....	Topeka AFD, IFB-14-604-55-431—Class 23A.	Sheet steel.....	56,393.00	-----	Contract awarded another company.
Do.....	VII-13, June 8, 1955....	Topeka AFD, IFB-14-604-55-76B.	Structural steel.....	88,647.00	(*)	Contract completed behind schedule, Oct. 19, 1955. 30 days late on a 90-day contract due to delayed receipt of material.
American Automatic Type-writer Co., Chicago, Ill.	VII-10, May 26, 1955...	WPAFB, PR-MIPR-R55-187-2400-ASO-SCGO.	Photofilm dryer.....	49,892.00	(*)	Contract completed behind schedule, Jan. 5, 1956. Final shipment about 1 month late. Primary delay caused by subcontractor of outer frame.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
ILLINOIS—continued						
American Automatic Type-writer Co., Chicago, Ill.	VII-52, Oct. 16, 1956...	WPAFB, IFB-33-630-56-154.	Photographic film dryer, type EL-3, plus spare parts and technical data.	\$153,693.00	(*)	Contract in process.
Do.....	VII-61, Oct. 30, 1957...	WPAFB, IFB-33-600-57-299.	Dryer, photographic.....	61,870.00	\$7,500	Contract completed on schedule, Dec. 18, 1958.
H. I. Garment Co., Chicago, Ill.	VII-6, Feb. 18, 1955...	Wilkins AFD, RFP-33-602-55-3032.	Coveralls.....	260,386.00	(*)	Contract completed behind schedule, Apr. 26, 1956. Final shipment about 2 months late. Change orders by procuring service contributed to delay.
Hubbard Oven Co., Hampshire, Ill.	VII-62, Nov. 21, 1957...	USN Air Station, Jacksonville, Fla., IFB-207-13-58.	Ovens electrically heated....	15,600.00	(*)	Contract completed on schedule, Jan. 30, 1958.
Illini Airlines, Inc., Rockford, Ill.	VII-65, Feb. 20, 1958...	USA Transportation, Supply, and Maintenance Command, St. Louis quotation No. 282-B, request No. 4.	Maintenance, repair, and flight test of L-20 type Army aircraft.	55,000.00	(*)	Unanticipated financial distress contributed to completion behind schedule, Nov. 26, 1958.
Industrial Precision Products Co., Chicago, Ill.	VII-25, Oct. 10, 1955...	GSSO, IFB-155-(3)-59-56...	Metal washers.....	904.00	(*)	Contract completed on schedule, Feb. 15, 1956.
Do.....	VII-46, July 9, 1956...	Topeka AFD, IFB-14-604-56-1077.	Washers, key-steel.....	1,830.00	(*)	Contract completed Mar. 29, 1957. Final delivery about 5 months late. Concern could not obtain proper steel even with Air Force help.
Do.....	VII-68, Mar. 31, 1958...	Navy Electrical Supply Office, Great Lakes, IFB-126-264-58.	Gear clusters.....	21,100.00	(*)	Contract completed behind schedule, Nov. 24, 1958. Contract delivery was 2 months late, due to delays in Government inspection at subcontractor's plants on gear assemblies.
Do.....	VII-69, Apr. 14, 1958...	USASSA, Philadelphia, IFB-SC-36-039-58-1582-A1.	Drive rings and hanger cables.	10,166.00	(*)	Contract completed behind schedule, Dec. 31, 1958. Delivery delayed 2 months. Processing agency increased requirements by 1/2, and placed the 1/2 on a priority basis. Delivery schedule was not amended to compensate for this action.
National Multiple Products Co., Chicago, Ill.	VII-26, Oct. 17, 1955...	USASSA, Philadelphia, RFP-PD-43/875-40409.	Electric leads.....	20,527.00	(*)	Contract completed on schedule, Feb. 29, 1956.
L. A. Pereira & Co., Chicago, Ill.	VII-9, Apr. 15, 1955...	USASSA, Chicago, IFB-SC-36-039-55-1108-59.	Reels.....	39,418.00	(*)	Contract completed behind schedule, June 29, 1956. Final shipment about 3 1/2 months late. There was a 3-month delay in approval of prototype by procuring agency.
Small Motors, Inc., Chicago, Ill.	VII-73, July 1, 1958...	USASSA, Chicago, IFB-SC-36-039-58-1306-C2 (51).	Motor generator, plus technical data.	23,342.00	4,864	Contract completed on schedule, Apr. 15, 1959.
Do.....	VII-78, Apr. 20, 1959...	USASSA, Chicago, P.O.-16565-PC-59-C2-51.	Spare parts for motor generator.	13,933.00		Contract not yet awarded.
South Side Iron Works, Chicago, Ill.	VII-17, Aug. 24, 1955...	Chicago QMD, IFB-QM-11-009-56-7.	Paddles, food stirring.....	14,691.00	(*)	Contract completed behind schedule, July 23, 1956. Errors on the part of a subcontractor in stamping parts, unanticipated difficulties in satisfying inspectors on weld dressing and similar problems caused delivery delays.
Stein Bros. Manufacturing Co., Chicago, Ill.	VII-11, June 10, 1955...	Philadelphia QMD, QM-36-030-55-NEG-303.	Pneumatic mattresses.....	1,183,267.00	(*)	Contract completed behind schedule, May 3, 1956. Final quantity was shipped about 60 days late. Delay in material approval by procuring service. Delay in obtaining valves from subcontractor.
Switches, Inc., Chicago, Ill.	VII-29, Nov. 23, 1955...	Chicago QMD, IFB-QM-11-009-56-86.	Identification card holder...	5,699.00	(*)	Contract completed behind schedule, May 22, 1956. Completed about 6 weeks late. Some of this delay was caused by firm waiting approval of paint.
Triumph Manufacturing Co., Chicago, Ill.	VII-38, Apr. 30, 1956...	Dayton AFB, IFB-33-604-56-112 (class 17C).	Modulator units, plus spare parts.	131,541.00	(*)	Contract completed on schedule, Jan. 3, 1958.
Otto Klewer, doing business as Office Machine Service, Morton Grove, Ill.	VII-80, June 24, 1959...	GSA, Chicago, IFB-CH-51830.	Repair, maintenance, and reconditioning of manual typewriters.	120,000.00		Contract not yet awarded.
Arthur S. La Pine & Co., Chicago, Ill.	VII-50, Aug. 21, 1956...	Robins AFB, IFB-09-603-56-282.	Fluoboric acid, technical and indium sulphate, anhydrous.	15,108.00	(*)	Contract completed on schedule, June 17, 1957.
Lumen, Inc., Joliet, Ill.	VII-43, June 18, 1956...	Rome AFD, RFP-30-635-56-4603.	Electrical power switching group, plus spare parts.	1,982,706.00	(*)	Contract completed behind schedule, Oct. 25, 1957. The equipment was ready for shipment on schedule. The Government inspector rejected 2 purchased components. These parts were replaced, but caused a 2-month delay in deliveries.
Magnecord, Inc., Chicago, Ill.	VII-42, June 7, 1956...	Army Signal Corps, RFP-PR-LYN-15937-56.	Research, development, and construction of magnetic recorder-reproducer equipment.	64,870.00		Case closed, company became big business Nov. 30, 1956.
H. S. Martin & Co., Evanston, Ill.	VII-12, June 15, 1955...	Frankford Arsenal, N-8176-A.	Tubes, image converter.....	287,938.00	(*)	Contract completed on schedule, Feb. 29, 1956.
McMaster-Carr Supply Co., Chicago, Ill.	VII-31, Dec. 5, 1955...	Topeka AFD, IFB-14-604-56-262.	Hardware.....	1,525.00	(*)	Contract completed ahead of schedule, Jan. 16, 1956.
L. A. McNabb Co., Melrose Park, Ill.	VII-39, May 4, 1956...	Army Signal Corps, Fort Monmouth, RFP-56-ELE/D-1854.	Miniature data recorder.....	126,241.00		Contract terminated for convenience of Government, June 16, 1959.
Microcord Corp., Chicago, Ill.	VII-16, July 25, 1955...	WPAFB, PR-159010#FN-55-452.	Reproduction of microfilm...	183,458.00	(*)	Contract completed on schedule, June 29, 1956.

See footnotes at end of table.

Company, city, and State	COG No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
ILLINOIS—continued						
Mobile Eng. Co., Inc., Chicago, Ill.	VII-47, July 19, 1956...	Topeka, AFB, IFB-14-604-56-1073.	Washers.....	\$26,685.00	(*)	Contract completed behind schedule, Feb. 11, 1957. A perforating die broke early in the production run. This was replaced. Another die failed and had to be replaced. Delivery became 41 days late on a 5-month schedule.
Triumph Manufacturing Co., Chicago, Ill.	VII-45, July 6, 1956....	Dayton AFB, IFB-33-604-56-310.	Modulators, plus spare parts.	225,918.00	(*)	Contract completed on schedule, Apr. 17, 1958.
Watland Microfilm Co., Blue Island, Ill.	VII-66, Feb. 27, 1958...	Army Transportation, Supply, and Maintenance Command, St. Louis, IFB-TC-23-204-58-50.	Microfilming services.....	2,240,940.00	(*)	Contract in process.
INDIANA						
C. K. Turk Corp., South Bend, Ind.	VII-63, Feb. 6, 1958...	Raritan Arsenal, IFB-ORD-28-924-58-62.	Cotton duck truck cargo body end curtain.	46,171.00	(*)	Contract completed ahead of schedule, May 15, 1958.
IOWA						
Northwest Glove Co., Inc., New London, Iowa.	VII-76, Nov. 14, 1958...	MCTSA, Philadelphia, IFB-QM-(CTM)-36-243-59-148.	Leather work-type gloves...	4,852.00	(*)	Contract completed ahead of schedule, Apr. 6, 1959.
KANSAS						
Fruhauf Southwest Garment Co., Wichita, Kans.	IX-11, Mar. 1, 1955....	Wilkins AFB, IFB-33-602-55-46.	Trousers.....	213,460.00	\$2,835	Company suffered financial deterioration. Completion was accomplished by subcontracting, and final delivery was 3 months late, May 4, 1956.
Kansas Van & Storage Co., Inc., Topeka, Kans.	IX-12, Apr. 12, 1955....	Army Transportation Corps, Fort Riley INV-AV-14-040-55-96.	Moving and crating services.	870,000.00	10,000	Contract completed on schedule, Apr. 27, 1956.
Kreonite, Inc., Wichita, Kans.	IX-21, May 15, 1956....	U.S. Army Engineers Procurement Office, Chicago, IFB-DA-ENG-11-184-56-E-481-JD.	Vacuum printing frame.....	9,463.00	(*)	Contract completed on schedule, Oct. 2, 1956.
Padbloc Co., Inc., Wichita, Kans.	IX-29, Apr. 15, 1957....	Kelly AFB, RFP-43-57-LP-130025 & 8115-57-LP-130026.	Repair of metal containers...	200,000.00	(*)	Call type contract with no calls against contract.
KENTUCKY						
Irving Air Chute Co., Inc., Lexington, Ky.	VI-85, Mar. 19, 1958....	Olmstead AFB, IFB-36-600-58-122.	Personnel rescue parachutes, type MT-1, and related accessories.	235,621.00	11,000	Contract completed on schedule, Dec. 31, 1958.
Period Tables, Inc., Henderson, Ky.	VI-109, Apr. 23, 1959....	GSA, Washington, IFB-FN-9A-17725-A-2-24-59.	Wood furniture.....	116,392.00	(*)	Contract in process.
Reliance Chemical Co., Inc., Louisville, Ky. (plant in Pauline, Kans.)	VI-61, Oct. 5, 1956....	Topeka AFB, IFB-14-604-57-60.	Deicing, defrosting fluid....			Contract awarded another concern.
Vulcan-Hart Manufacturing Co., Louisville, Ky.	VI-79, Oct. 16, 1957....	Army QM Purchasing Agency, Columbus, IFB-QM-33-031-58-102.	Oil burning heavy duty range.	14,190.00	6,435	Contract completed on schedule, Dec. 16, 1957.
LOUISIANA						
Picketts' Food Service, Springfield, La.	X-55, June 11, 1958....	Perrin AFB, IFB-41-610-58-17.	Operation of dining halls, kitchen, and food processing facilities, at Perrin AFB.	246,450.00	(*)	Term contract completed.
Southern Aviation Corp., Shreveport, La.	X-34, Aug. 5, 1957....	Army Transportation Corps, St. Louis, RFP-200-B.	Overhaul and repair, aircraft engines.	376,584.00	(*)	Contract completed on schedule, Nov. 30, 1958.
MARYLAND						
Airline Precision Instruments, Inc., Baltimore, Md.	IV-90, Nov. 20, 1958....	Bureau of Engraving and Printing, Washington, IFB-BEP-115.	Brine trench tank.....	1,175.00	(*)	Delivery about 1 month late, due to questions on drawings, specifications, and some production difficulty, Feb. 27, 1959.
Do.....	IV-101, May 15, 1959....	Bureau of Engraving and Printing, Washington, IFB-BEP-228.	Currency banding machine, semiautomatic.	116,000.00	(*)	Contract not yet awarded.
Carroll's Laundry, Havre de Grace, Md.	IV-83, July 3, 1958....	Philadelphia Naval Shipyard, IFB-151-693-9502-59.	Laundry and dry cleaning services during fiscal year 1959.	34,039.00	(*)	Contract in process.
Eshelman Motors Corp., Baltimore, Md.	IV-79, July 15, 1958....	GSA, Washington, IFB-FN-3G-9938-A-4-15-58.	Mallsters.....	1,261,527.00	(*)	Do.
The Instruments Corp., Baltimore, Md.	IV-74, Apr. 23, 1958....	USASA, Chicago, IFB-SC-36-039-58-912-B4-51.	Wind direction and speed indicators.	107,378.00	6,519	Contractor had difficulty obtaining acceptable meters from Westinghouse. Contract completed less than a month delinquent Mar. 6, 1959.
Alexander Milburn, Inc., Baltimore, Md.	IV-102, June 5, 1959....	Rock Island Arsenal, IFB-ORD-11-199-59-123.	Oxygen-acetylene torch set for cutting and welding.	44,510.00	(*)	Contract in process.
Ordnance Products, Inc., North East, Md.	IV-14, Mar. 11, 1955....	Army Chemical Processing District, Chicago, IFB-CML-11-021-55-24.	Fuses.....	63,020.00	38,525	Contract completed on schedule, Oct. 31, 1955.
Do.....	IV-17, Mar. 30, 1955....	do.	Igniters.....	33,841.00	2,778	Contract completed on schedule, Dec. 6, 1955.
Sea Light Engineering Co., Silver Spring, Md.	IV-96, Mar. 23, 1959....	Naval Supply Depot, Mechanicsburg, IFB-104-471-59.	Automatic floating distress marker lights.	81,662.00	(*)	Contract in process.
Suburban Research Corp., Gaithersburg, Md.	IV-38, Nov. 27, 1956....	Navy Electronic Supply Office, Great Lakes, IFB-126-136-57.	RF transmission seal.....	17,210.00	132	Contract completed behind schedule, Aug. 9, 1957. Specifications were changed during performance of contract.
Triest Manufacturing Works, Inc., Annapolis, Md.	IV-27, June 26, 1956....	OTAC, Detroit, IFB-ORD-20-113-56-1058.	Clamping rings.....	1,163.00	181	The required clamping rings were completed ahead of schedule, but the Government delayed acceptance 2 months, Nov. 30, 1956.

See footnotes at end of table.

Company, city, and State	OOC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
MASSACHUSETTS						
American Cleaning Co., Inc., Cambridge, Mass.	I-82, Jan. 30, 1959.....	GSA, Washington, D.C., IFB-GS-03B-7614.	Janitorial cleaning service for 1-year period.	\$552,000.00	(*)	Contract in process.
Andonian Associates, Waltham, Mass.	I-92, June 30, 1959.....	Cambridge Reserve Center, Bedford, RFP-PR-06937.	Pressure relief valves plus plus technical data.	19,374.00		Contract not yet awarded.
Atlantic Equipment Co., Inc., Readville, Mass.	I-39, May 25, 1955.....	Army Engineers Processing Office, Chicago, IFB-DA-ENG-11-184-55-C-419-JD.	Generator sets.....	14,480.00	(*)	Contract completed behind schedule Oct. 31, 1955. Final shipment about 20 days late. Strikes at suppliers plant caused most of the delay.
Wm. D. Bright Enterprises, Waltham, Mass.	I-22, Mar. 17, 1954.....	Army Quartermaster purchasing agent, N.Y., IFB-QM-30-280-54-195.	Panel.....	71,817.00	\$4,132	Contract completed ahead of schedule Sept. 22, 1954.
Do.....	I-42, Aug. 4, 1955.....	Army Quartermaster Depot, Philadelphia, IFB-QM-36-030-55-870.	Canteen covers.....	89,550.00	(*)	Contract completed behind schedule July 31, 1956. Final shipment delayed about 3 months. Firm claimed defective Government furnished materials, errors in drawings, and poor handling by Quartermaster. Case went to Armed Services Board of Contract Appeals. Final decision unknown.
Do.....	I-85, Apr. 21, 1959.....	Army Quartermaster Depot, Philadelphia, IFB-QM (CTM)-36-243-59-528.	Memorial cotton bunting flags.	17,659.00	(*)	Contract in process.
Cargocaire Engineering Corp., Amisbury, Mass.	I-76, June 27, 1958.....	Army Engineers Processing Office, Chicago, IFB-DA-ENG-11-181-58-CF-557.	Dry desiccant type automatic dehumidifiers.	773,982.00	(*)	Contract completed ahead of schedule, Jan. 16, 1959.
Cindy Knitting Mills, Boston, Mass.	I-89, June 11, 1959.....	Army Quartermaster Depot, Philadelphia, IFB-QM (CTM)-36-243-59-760.	Knitted waistbands.....	6,895.00	(*)	Contract in process.
Documat, Inc., Belmont, Mass.	I-75, June 25, 1958.....	WP-AFB, IFB-33-600-58-181.	Microfilm still picture viewer with spare parts and technical data.	213,275.00	9,480	Do.
Doherty Manufacturing Co., Inc., Lowell, Mass.	I-46, Jan. 18, 1956.....	Hill AFB, IFB-42-600-56-81.	Tow targets.....	113,100.00	1,125	Contract completed behind schedule, May 28, 1956. Subcontractor delay and unanticipated financial difficulty delayed completion.
W. J. Dunn Co., Inc., Boston, Mass.	I-24, Apr. 21, 1954.....	BuOrd, Washington, DC., IFB-7711-0-B.	Wire rope clips.....	78,375.00	4,875	Contract completed ahead of schedule, Jan. 31, 1955.
L. W. Ferdinand & Co., Inc., New Lower Falls, Mass.	I-52, Apr. 17, 1956.....	GSSO, IFB-155-(1)-885-56..	Sealing compound.....	9,432.00	2,593	Contract completed behind schedule, Oct. 29, 1956. Delivery delayed pending receipt of containers. Procuring service inspection caused some delay.
The First Electronics Corp., Boston, Mass.	I-58, Sept. 10, 1956.....	USASSA, Philadelphia, IFB-SC-36-039-57-793-43.	Modification kits.....	28,952.00	(*)	Contract completed ahead of schedule, Jan. 31, 1957.
General Communication Co., Boston, Mass.	I-80, Nov. 19, 1958.....	Dayton AFD, RFP-33-604-59-1200.	Radio frequency transmission line switch.	139,200.00		Contract awarded others Dec. 16, 1958.
B. M. Harrison Laboratories, Inc., Newton Highlands, Mass.	I-53, May 8, 1956.....	BuShips, IFB-600-990-56-S.	Electronic multimeters.....	77,074.00	13,360	Contract in process.
B. M. Harrison Laboratories, Inc., Newton Highlands, Mass.	I-55, May 23, 1956.....	BuShips, IFB-600-1264-56-S.	Multimeters plus spare parts.	15,186.00	1,412	Do.
Reinforced Plastics Corp., Vineyard Haven, Mass.	I-81, Jan. 28, 1959.....	USASSA, Philadelphia, RFP-SC-039-59-10161-B3.	Electrical equipment shelter.	47,353.00		Facilities liquidated shortly after award. Assignee unacceptable to Signal Corps.
Revere Glass Co., Revere, Mass.	I-79, Aug. 15, 1958.....	Brookley AFB, IFB-01-601-58-439.	Emergency signaling type MK-3 mirrors.	132,088.00		Procurement withdrawn Sept. 24, 1958.
St. Pierre Chain Corp., Worcester, Mass.	I-83, Mar. 13, 1959.....	GSSO, Philadelphia, IFB-155-(1)-2139-59.	Wire rope clips.....	18,445.00	(*)	Contract completed ahead of schedule, June 16, 1959.
Technology Instrument Corp., Acton, Mass.	I-67, Oct. 16, 1957.....	Gentile AF Station, RFP-33-604-58-1014.	Variable resistors.....	19,359.00	1,488	Contract completed ahead of schedule, Mar. 13, 1958.
Do.....	I-68, Oct. 16, 1957.....	Gentile AF Station, RFP-33-604-58-1048.	do.....	20,875.00	717	Contract completed ahead of schedule, Feb. 14, 1958.
Tobe Deutschmann Corp., Norwood, Mass.	I-32, Feb. 9, 1955.....	Gentile AFD, RFP-33-604-55-1389.	Capacitors.....	845.00	153	Final shipment delayed about 2 months. Late due to lack of capital and an abnormal number of rejections during inspection.
Do.....	I-34, Mar. 9, 1955.....	Gentile AFD, IFB-33-604-55-27.	do.....	1,222.00	70	The contract was completed about 1 month late due primarily to financial difficulties. There was a shortage of material and difficulty meeting payrolls.
Do.....	I-35, Mar. 9, 1955.....	Gentile AFD, RFP-33-604-55-1616.	do.....	1,208.00	496	The contract was completed about 1 month late because of certain failures during final tests. Shipment would have been 1 week sooner, but bills of lading were not received.
Utility Metal Products, Inc., Beverly, Mass.	I-84, Apr. 7, 1959.....	Department of Navy, Philadelphia, IFB-155-(3)-1963-59 (lot VD).	Aluminum clothing lockers..	111,661.00	(*)	Contract in process.
Worcester Shoe Co., Worcester, Mass.	I-72, Jan. 22, 1958.....	MCTSA, IFB-QM-36-243-58-227.	Combat boots.....	219,960.00	1,440	Contract completed ahead of schedule, June 11, 1958.
Worcester Automatic Machine Co., Worcester, Mass.	I-74, May 21, 1958.....	USASSA, RFP-SC-36-039-58-10104-81.	Engineering design and construction of automated battery assembly and soldering machine test runs and technical reports.	120,000.00	(*)	Contract in process.
MICHIGAN						
Beacon Boat Co., Holland, Mich.	VI-31, Feb. 19, 1954....	Bu-Ships, IFB-7290-S.....	Wood boats.....	365,391.00	(*)	Final shipment about 4 months late, Mar. 2, 1956. Unanticipated financial difficulties developed. SBA supplied financial assistance.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
MICHIGAN—continued						
Machine Products, Novi, Mich.	XV-3, Dec. 17, 1956...	OTAC, Detroit, IFB-ORD-20-113-57-674.	Bracket supports.....	\$1,556.00	\$567	Contract quantity of 1,206 brackets completed on schedule in June 1957. The 5 percent accepted overrun was shipped August 1957.
Metro Engineering & Manufacturing Co., Inc., Detroit, Mich.	XV-12, Mar. 6, 1958...	USASSA, Philadelphia, IFB-SC-36-039-58-1984-B4.	Semitrailer.....	1 335,914.00		Procurement withdrawn by procuring activity.
Park Industries, Inc., Melvindale, Mich.	VI-33, Mar. 31, 1954...	W-PAFB, Ohio, AFB-33-600-54-14.	Gun heaters.....	181,243.00	(*)	Contract terminated for convenience of Government, Dec. 17, 1956.
Ranbar Manufacturing Co., Detroit, Mich.	XV-10, May 22, 1957...	OTAC, Detroit, IFB-ORD-20-113-57-1494.	Hull drain valves.....	3,192.00	205	Contract completed on schedule, Dec. 10, 1957.
Storage Tank Accessories Corp., East Jordan, Mich.	XV-1, June 26, 1956...	OTAC, Detroit, IFB-ORD-20-113-56-1116.	Tank support bracket.....	1,352.00	(*)	Contract completed behind schedule, Oct. 22, 1956. 1 month late because of an error in shipping container order.
MINNESOTA						
G. & S. Distributing Co., Inc., St. Paul, Minn.	VIII-7, Apr. 28, 1959...	Army Quartermaster Purchasing Agency, Columbus, IFB-QM-33-021-59-528.	Plastic drinking cups.....	1 51,135.00		Case closed June 12, 1959. Company declined to extend bid option due to contract award delay.
MISSISSIPPI						
American Tent Co., Canton, Miss.	X-29, Feb. 18, 1957....	Hill AFB, Utah, IFB-42-600-57-154.	Aerial tow targets.....	65,527.00	6,075	Contract completed on schedule, Apr. 30, 1958. Original requirement reduced 70 percent.
Watson Laundry & Cleaners, Cleveland, Miss.	V-86, July 15, 1958....	Greenville AFB, IFB-22-601-58-90.	General laundry service....	20,521.00	3,760	Contract not awarded this concern. Procuring service decided that reasons other than capacity and credit caused disqualification.
MISSOURI						
Continental Hat & Cap Co., Kansas City, Mo.	IX-50, Mar. 2, 1959....	Philadelphia Quartermaster Depot, IFB-QM (CTM)-36-243-59-470.	Woman's garrison wool serge caps.....	1 5,337.00		Case closed; company would not extend bid option.
Jamco Manufacturing Co., Clayton, Mo.	IX-52, Apr. 23, 1959....	Philadelphia Quartermaster Depot, IFB-QM (CTM)-36-243-59-586.	Cotton duck paulin.....	148,810.00	(*)	Contract in process.
Metalcraft Manufacturing & Sales Corp., Kansas City, Mo.	IX-31, Apr. 30, 1957....	GSSO, Philadelphia, IFB-155-(3)-1654-57.1	Medical lockers and first-aid boxes.....	25,871.00	(*)	Discrepancy had developed in a drawing for a gasket. Delay encountered waiting for authorization for revision. Successfully completed 1 month late.
Do.....	IX-37, Oct. 18, 1957....	GSSO, Philadelphia, IFB-155-(3)-49-58.	Steel safe lockers.....	17,502.00	(*)	Contract completed ahead of schedule.
Royal Dalton Ltd., Inc., St. Louis, Mo., and Apparelsraft, Inc., Wrightsville, Ga.	IX-38, Dec. 11, 1957....	Philadelphia Quartermaster Depot, IFB-QM (CTM)-36-243-58-184.	Men's blue wool trousers.....	1,379,885.00	15,571	Delivery on this 10-month contract was 1 month late. The applicant experienced 3 specific delays as GFP cloth was not made available on time. Some of the cloth, when received, was narrower than called for in the specifications.
Do.....	IX-39, Dec. 11, 1957....	Philadelphia Quartermaster Depot, IFB-QM (CTM)-36-243-58-191.	Men's blue wool gabardine trousers.....	468,423.00	684	Contract completed ahead of schedule, June 20, 1958.
Sarmont, Inc., Caruthersville, Mo.)	IX-28, Feb. 8, 1957....	Shelby AFD, RFP-33-602-57-3037	Repair and recondition Government-owned canvas items.....	150,000.00	(*)	Contract completed on schedule, Feb. 6, 1958.
Do.....	IX-36, Sept. 18, 1957....	Wilkins AF Station, Ohio, RFP-33-602-57-3154.	Repair and maintenance of tents, sleeping bags, etc.	5,000.00	(*)	Contract completed ahead of schedule, June 30, 1958.
Seymour Wallas & Co., St. Louis, Mo.	IX-18, Jan. 26, 1956....	Shelby AFD, IFB-33-602-56-59.	Coveralls.....	373,961.00	(*)	Last shipment about 30 days late, May 31, 1957. Concern produced about 1,000 units per month but other work caused the slight delay.
Do.....	IX-19, Jan. 26, 1956....	Shelby AFD, IFB-33-602-56-20.	Cotton duck suitcases.....	74,050.00	(*)	Contract completed ahead of schedule, Feb. 12, 1957.
Do.....	IX-25, June 22, 1956....	Shelby AFD, IFB-33-602-56-242.	do.....	265,650.00	14,053	Contract completed behind schedule, July 29, 1957. Unforeseen difficulties in finishing operations on last few suitcases caused 2 months' delay on this 12-month contract.
Society Brand Hat Co., St. Louis, Mo.	IX-15, Nov. 25, 1955....	Army Quartermaster Depot, Philadelphia, IFB-QM-36-030-56-102.	Caps.....	100,800.00	(*)	Contract completed on schedule, July 5, 1956.
Do.....	IX-17, Jan. 24, 1956....	Army Quartermaster Depot, Philadelphia, IFB-QM-36-030-56-358.	do.....	949,750.00	(*)	Contract completed behind schedule, Jan. 24, 1957. Delay in revision of original specification. Large contract for same item placed without reference to SBA during production period.
NEBRASKA						
American Sound Co., Omaha, Nebr.	IX-26, Dec. 5, 1956....	Tinker AFB, IFB-34-601-57-66.	Furnish and install bell and light alert system.....	17,894.00	(*)	Contract completed on schedule, July 31, 1957.
Scientific Radio Products, Inc., Omaha, Nebr.	IX-23, May 28, 1956....	USASSA, Fort Monmouth, RFP-56-ELS/D-3611.	Quartz crystal units.....	29,842.30	(*)	Contract completed behind schedule, Sept. 30, 1957. Delay in receipt of test equipment. Unanticipated R. & D. work developed during contract progress.
NEW HAMPSHIRE						
Marion Electrical Instrument Co., Manchester, N.H.	I-64, Mar. 4, 1957....	W-PAFB, IFB-33-600-57-94.	ID-525/ARN indicators.....	57,000.00	28,879	Contract completed on schedule, July 31, 1958.
Northeastern Eng., Inc., Manchester, N.H.	I-37, May 25, 1955....	USASSA, Philadelphia, IFB-SC-36-039-55-1743-59.	Power supply units.....	70,344.00	7,921	Contract completed ahead of schedule, May 16, 1957.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW HAMPSHIRE—CON.						
Northeastern Eng., Inc., Manchester, N.H.	I-38, May 23, 1955.....	USASSA, Philadelphia, RE 49/55-SF-23316-(ETAL).	Spare parts for radio sets.....	\$23,517.00	(*)	Contract completed behind schedule, Oct. 19, 1955. Subcontractor delay resulted in final shipment 6 days late.
Do.....	I-40, June 3, 1955.....	USASSA, Philadelphia, 58/55-SP-3400.	do.....	9,129.00	(*)	Contract completed behind schedule, Nov. 16, 1955. Subcontractor delay resulted in final shipment 15 days late.
NEW JERSEY						
Allied Allegri Machine Co., Inc., Nutley, N.J.	II-237, June 17, 1957....	USASSA, Philadelphia, IFB-SC-36-039-57-2184-56.	Test sets.....	180,029.00	(*)	Contract completed ahead of schedule, Aug. 29, 1958.
Allied Federal Industries, Newark, N.J.	II-359, Mar. 24, 1959....	Department of the Navy, Washington, IFB-600-194-59-0.	Practice depth charges.....	435,815.00	(*)	Contract in process.
Allied Ordnance Corp., Jersey City, N.J.	II-210, Mar. 15, 1957....	Tinker AFB, IFB-34-601-57-224.	High pressure valves.....	85,426.00	(*)	Contract completed ahead of schedule, Nov. 27, 1957.
American Development Electronics Co., Newark, N.J.	II-238, June 10, 1957....	USASSA, Philadelphia, IFB-SC-36-039-57-2152-55.	Intercommunication stations.....	22,318.00	(*)	Contract completed behind schedule, Feb. 26, 1959. Production was completed on schedule, but delays in inspection and approval of drawings delayed final shipment.
Do.....	II-290, Apr. 10, 1958....	USASSA, Philadelphia, IFB-SC-36-039-58-69-A5.	do.....	25,400.00	\$1,600	Contract in process.
Do.....	II-380, June 29, 1959....	USASSA, Philadelphia, IFB-SC-36-039-59-1702-A3.	Frequency meter, plus technical data.....	117,500.00	(*)	Contract not yet awarded.
Ampeco Manufacturing Co., Inc., Plainfield, N.J. (formerly in Morristown).	II-122, Mar. 27, 1956....	USASSA, Philadelphia, IFB-SC-36-039-56-10673.	Card sets, resistors, and test facilities.....	176,908.00	(*)	Contract completed behind schedule, Feb. 25, 1959. Shipment was held up awaiting inspection, revised packaging requirements, and decision on spare parts. Total delay was about 4 months.
Ampeco Manufacturing Co., Plainfield, N.J.	II-348, Mar. 13, 1959....	USASSA, Philadelphia, IFB-SC-36-039-59-797-C1.	Cable assemblies.....	14,281.00	-----	Procurement withdrawn by contracting agency Mar. 17, 1959.
Do.....	II-349, Mar. 13, 1959....	USASSA, Philadelphia, RFP-SC-36-039-59-10372-C1.	Special purpose electrical cable assembly.....	14,529.00	(*)	Contract in process.
Arcturus Electronics, Inc., Paterson, N.J.	II-48, Mar. 4, 1955.....	Gentile AFD, RFP-33-604-55-2547.	Electron tubes.....	45,954.00	660	Contract completed ahead of schedule, June 30, 1955.
Do.....	II-67, May 10, 1955.....	USASSA, Philadelphia, IFB-SC-36-039-55-1756-59.	Rectifiers.....	13,035.00	554	Contract completed ahead of schedule, Aug. 3, 1955.
Do.....	II-68, May 10, 1955.....	USASSA, Philadelphia, IFB-SC-36-039-55-1406-59.	Electron tubes.....	14,875.00	1,125	Contract completed ahead of schedule, Aug. 29, 1955.
Do.....	II-74, June 8, 1955.....	USASSA, Philadelphia, IFB-PD-5955-10872.	do.....	30,687.00	2,085	Contract completed behind schedule, Aug. 31, 1956. Defective components furnished by a large tube manufacture caused delay.
General Electronics Division, Inc., Paterson, N.J.	II-90, Aug. 4, 1955....	USASSA, Philadelphia, IFB-PH-26759.	do.....	191,152.00	(*)	Contract completed about 2 months late, Mar. 2, 1956. Primarily due to financial difficulties.
Arnay Aircraft Associates Inc., Little Ferry, N.J.	II-256, Aug. 26, 1957....	Topeka AFD, IFB-14-604-58-4.	Flared sleeves, tube fitting.....	15,340.00	-----	Declared nonresponsive after requirements were reduced.
Do.....	II-259, Sept. 18, 1957....	Topeka AFD, IFB-14-604-58-41.	Aluminum anodized tees and plugs.....	18,258.00	-----	Contract awarded to another company, Sept. 23, 1957.
Atomic Cutlery, Inc., Irvington, N.J.	II-120, Mar. 16, 1956....	ASMPA, Brooklyn RFP-56-546-N.	Surgical scissors.....	64,000.00	(*)	Contract completed on schedule, Oct. 31, 1956.
Bellaire Electronics, Inc., Red Bank, N.J.	II-249, June 28, 1957....	USASSA, Philadelphia, RFP-SC-36-039-57-2372-58.	Cable termina chamber.....	80,980.00	-----	Contract withdrawn, Oct. 15, 1957.
Bellaire Electronics, Inc., Red Bank, N.J.	II-322, Oct. 1, 1958....	USASSA, Philadelphia, IFB-SC-36-039-59-738-C4.	Chamber cable terminals.....	30,958.00	6,002	Contract in process.
Do.....	II-330, Nov. 25, 1958....	USASSA, Philadelphia, IFB-SC-36-039-59-764-C4.	do.....	15,811.00	(*)	COC-330 and COC-337, contracts were combined into one contract, now in process.
Do.....	II-337, Jan. 6, 1959....	do.....	Cable terminal, TA-89 () / FT chamber, plus technical data.....	14,501.00	-----	See remarks under COC-330, contract now in process.
Bright Star Industries, Clifton, N.J.	II-9, May 5, 1954.....	USASSA, Philadelphia, IFB-SC-36-039-54-896-57.	Dry batteries.....	100,380.00	962	Last shipment 1 month late, awaiting bill of lading, contract completed, Feb. 15, 1955.
Do.....	II-13, June 2, 1954.....	USASSA, Philadelphia, IFB-SC-36-039-54-895-57.	do.....	4,582.00	8	Contract completed on schedule, Jan. 31, 1955.
Do.....	II-14, June 2, 1954.....	USASSA, Philadelphia, IFB-SC-36-039-54-908-57.	do.....	2,525.00	477	Contract completed ahead of schedule, Feb. 15, 1955.
Do.....	II-15, June 4, 1954.....	USASSA, Philadelphia, IFB-PH-42902 SIGSU-M5B-5-SA-16419.	do.....	692.00	(*)	Batteries shipped about 3 months late, Sept. 30, 1954. 2 months were lost awaiting bill of lading.
Do.....	II-26, June 4, 1954.....	USASSA, Philadelphia, IFB-PH-46715-SA-16437 and SA-16518.	do.....	2,352.00	847	Contract completed on schedule Dec. 31, 1954.
Do.....	II-17, June 4, 1954.....	USASSA, Philadelphia, IFB-PH-43483-SIGSU-M5-B-5-SA-16421.	do.....	240.00	(*)	Shipment delayed 60 days, awaiting bill of lading. Contract completed, Sept. 15, 1954.
Do.....	II-26, Oct. 15, 1954....	USASSA, Philadelphia, IFB-SC-36-039-55-206-57.	Batteries.....	3,340.00	4	Contract completed on schedule, May 31, 1955.
Burnet Corp., Red Bank, N.J.	II-345, Mar. 3, 1959....	Army QM Purchasing Agency, Columbus, IFB-QM-33-031-59-408.	Folding canvas bread racks.....	8,804.00	(*)	Contract in process.
Century Tool Co., Palmyra, N.J.	III-52, Oct. 26, 1956....	NPO, Washington, IFB-600-122-57.	Automatic electrical tool kits.....	34,140.00	(*)	Delivery about 2 weeks late, Feb. 19, 1957. Subcontractor's failure to deliver wrenches was the primary cause.
Do.....	III-53, Oct. 26, 1956....	NPO, Washington, IFB-600-258-57.	Gages.....	1,331.00	(*)	Contract completed ahead of schedule, Mar. 8, 1957.
Do.....	III-54, Oct. 26, 1956....	NPO, Washington, IFB-600-287-57.	Cylinder compression tester.....	290,784.00	(*)	Contract completed on schedule, Feb. 27, 1957.

See footnotes at end of table.

Company, city, and State	COO No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remark
NEW JERSEY—continued						
Eisen Bros., Inc., Hoboken, N.J.	II-181, Sept. 25, 1956...	Army QM Purchasing Agency, Columbus, IFB-QM-33-031-57-20.	Tent pins.....	\$247,152.00	(*)	Contract completed ahead of schedule, May 16, 1957.
Frasca Machine Co., Norwood, N.J.	II-39, Jan. 19, 1955....	Navy GSSO, Philadelphia, IFB-155-(3)-479-55.	Valves.....	9,510.00	\$384	Contract completed behind schedule, May 4, 1956. Shortage of monel metal and specification change which resulted in administrative delays contributed to final delivery being 8 months late.
Do.....	II-40, Jan. 19, 1955....	Navy GSSO, Philadelphia, IFB-155-(3)-496-55.	.....do.....	6,638.00	217	Contract completed behind schedule, July 29, 1955. Difficulty with castings from subcontractor and lack of shipping instructions contributed to late delivery.
General Electronics, Inc., Paterson, N.J.	II-151, May 17, 1956....	Dayton AFB, IFB-36-604-56-277.	Electron tubes.....	44,900.00	(*)	Contract completed ahead of schedule, Oct. 31, 1956.
Do.....	II-312, July 17, 1958....	Dayton AFB, IFB-33-604-58-679.	.....do.....	40,459.00	3,497	Contract completed behind schedule, Feb. 18, 1959. A fire in a subcontractor's plant and failure of an electron tube exchanger contributed to delay. Contract completed ahead of schedule, May 22, 1959.
Do.....	II-339, Jan. 19, 1959....	Dayton-Jentile AFB, IFB-33-604-59-231.	Electron tubes, type 250TH.	82,350.00	(*)	Contract in process.
Do.....	II-356, Feb. 23, 1959....	USASSA, Philadelphia, IFB-SC-36-039-59-306-B1.	Electron tubes.....	41,828.00	(*)	
Do.....	II-363, Apr. 10, 1959....	Dayton AFB, IFB-33-604-59-4-0.	.....do.....	41,480.00	(*)	Do.
H & L Tool & Machine Co., Mountain View, N.J.	II-114, Feb. 23, 1956....	Watervliet Arsenal (NY) Army Ordnance Corps, IFB-ORD-30-144-56-62.	Plate for 106 millimeter gun.	27,478.00	11,383	Contract completed behind schedule, June 14, 1957. The company experienced breakage of machine tools due to unexpected hardness of steel plates. Final delivery was 6 months late.
Heyer Products Co., Inc., Belleville, N.J.	II-341, Feb. 10, 1959....	Rome Air Material Area, IFB-30-635-59-157.	Power supply, type B-8, plus technical data.	185,274.00	(*)	Contract in process.
ITI Electronics, Inc. (Industrial Television, Inc.), Clifton, N.J.	II-281, Jan. 28, 1958....	Navy BuShips, IFB-600-234-58-S.	Multimeters, AN/PSM-4A, plus spare parts and technical data.	202,082.00	(*)	Do.
Industrial Television, Inc. Clifton, N.J.	II-110, Feb. 14, 1956....	USASSA, Philadelphia, IFB-SC-36-039-56-10312-55.	Dual channel amplifier.....	37,058.00	(*)	Contract completed behind schedule, Nov. 21, 1957. Faulty vacuum tubes furnished by reputable manufacturers, delay in first article approval, and unanticipated financial difficulty contributed to late completion of contract.
Insulux Co., North Bergen, N.J.	II-284, Feb. 14, 1958....	USASSA, Philadelphia, IFB-SC-36-039-58-1001-58.	Lighting units, ML-338(I)/UM.	13,149.00	-----	Contract awarded others May 26, 1958. The Army disregarded COO on basis that company was disqualified for reasons other than capacity or credit. Comptroller General's decision B-135144, dated Apr. 14, 1958, was used as a basis. Signal Corps was initially negative on capacity and credit.
M. J. Johnson Aircraft Eng. Co., Morris Plains, N.J. (formerly in Pottsville, Pa.).	III-18, Oct. 21, 1955....	Olmsted AFB, RFP-36-600-56-5010(P).	Inspection and repair of compass transmitters.	9,320.00	-----	Contract terminated for default, Oct. 16, 1956. A Helmholtz test coil and other equipment to be furnished by the Government was received 8 months late.
Keasbey Shipbuilding & Storage Yard, Inc., Keasbey N.J.	II-42, Feb. 1, 1955.....	Navy BuShips, IFB-600-275-55-S.	Boats.....	126,225.00	4,000	Completed contract 1 month behind schedule, Oct. 31, 1956. Subcontractor's delays contributed to late completion.
Lawn Electronics, Inc., Englishtown, N.J.	II-268, Nov. 1, 1957....	Dayton AFB, IFB-33-604-58-108.	Aircraft and motor generator testers, type L-1A.	53,040.00	(*)	Contract in process.
Lutz Co., Guttenberg, N.J.	II-352, Mar. 18, 1959....	Army Engineer Procurement Office, Chicago, IFB-DA-ENG-11-184-59-B/E-353-JD.	Flat plotting scales.....	1,806.00	(*)	Do.
Maroon Manufacturing Co., Nutley, N.J.	II-278, Jan. 16, 1958....	USASSA, Philadelphia, IFB-SC-36-039-58-598-58.	Switchboxes and switch levers.	48,257.00	(*)	Contract completed behind schedule, Dec. 21, 1958. Procuring agency ordered production effort diverted to another project on which extreme urgency developed.
Mead Manufacturing Co., Inc., Trenton, N.J.	III-30, Mar. 23, 1956....	Tinker AFB, IFB-34-601-56-273.	Aircraft seat cushions.....	50,585.00	1,496	Contract completed ahead of schedule, Aug. 29, 1956.
Nansi Co., Inc., West New York, N.J.	II-274, Dec. 19, 1957....	Navy Electronic Supply Office, Great Lakes, IFB-120-145-58.	Tube shield inserts.....	105,775.00	24,366	Contract completed behind schedule, Apr. 25, 1958. Delays caused by lack of capacity on the part of subcontractors. This was rectified by spreading the work among additional subcontractors, but not in time to meet schedule deliveries.
Presto Recording Corp., Paramus, N.J.	II-168, June 27, 1956....	USASSA, Philadelphia, IFB-SC-36-039-56-869-55.	Recorder-reproducer sets.....	628,400.00	-----	Case closed because company became big business and was not eligible for award under COO program, Dec. 31, 1956.
Ramsey Machine & Tool Co., Inc., Hillside, N.J.	II-180, Sept. 21, 1956....	Frankford Arsenal, Philadelphia, IFB-ORD-36-038-56-G-780.	Gages.....	12,175.00	(*)	Contract completed behind schedule, Aug. 13, 1957. Delay in completing contracts due to specifications which required unsuitable material. Contractor not at fault.
Rolen Sportswear Co., Elizabeth, N.J.	II-202, Feb. 18, 1957....	Shelby AFB, IFB-33-602-57-50.	Men's flying jackets.....	170,488.00	(*)	Contract completed ahead of schedule, Apr. 22, 1957.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW JERSEY—continued						
Oswald Schieker Manufacturing Co., West New York, N.J.	II-87, Aug. 4, 1955	Army QM Depot, Philadelphia, IFB-QM-36-030-55-1006.	Insignia	\$5,173.00		After issuance of COC, contracting agency decided not to award on the basis of negative findings other than capacity and credit.
Do	II-88, Aug. 4, 1955	Army QM Depot, Philadelphia, IFB-QM-36-030-55-904.	do	30,425.00		Do.
Do	II-89, Aug. 4, 1955	Army QM Depot, Philadelphia, IFB-QM-36-030-55-897.	do	11,000.00		Contract awarded elsewhere, Aug. 19, 1955.
Seaview Electric Co., Avon, N.J.	II-47, Feb. 25, 1955	USASSA, Philadelphia, IFB-SC-36-039-55-625-53.	Microphone sets	420,737.00	\$54,860	Contract completed behind schedule, Mar. 14, 1957. Delivery delayed 4 months. Sole source of cable delayed delivery. Some financial difficulty.
Do	II-64, Apr. 22, 1955	USASSA, Philadelphia, IFB-SC-36-039-55-1197-58.	Variable attenuators	9,840.00	524	Contract completed ahead of schedule, July 22, 1955.
Do	II-69, May 18, 1955	USASSA, Philadelphia, IFB-SC-36-039-55-1002-51.	Code recorders	283,075.00	(*)	Contract completed behind schedule, Oct. 31, 1956, 1 month late. Work was subcontracted to another small business concern.
Do	II-102, Nov. 23, 1955	USASSA, Philadelphia, IFB-SC-36-039-56-446-58.	Handsets	506,019.00	99,439	Contract completed on schedule, Jan. 29, 1958.
Do	II-145, May 25, 1956	USASSA, Philadelphia, P.O.—20046-PH-55-58.	Switch assemblies	56,809.00	(*)	Contract completed on schedule, July 31, 1956.
Do	II-301, May 23, 1958	USASSA, Philadelphia, IFB-SC-36-039-58-2008-B4.	Wire splicing kits	214,899.00		Procurement withdrawn, May 29, 1958.
Do	II-354, Mar. 16, 1959	USASSA, Philadelphia, IFB-SC-36-039-59-553-B4.	Meteorological stations and psychromatic calculators.	37,220.00	(*)	Contract in process.
The Stevens Aircraft Corp., Rochelle Park, N.J.	II-240, June 20, 1957	Topeka AFD, IFB-14-604-57-1123.	Aircraft screws	49,104.00		Procurement withdrawn, Mar. 11, 1958.
Do	II-241, June 20, 1957	Topeka AFD, IFB-14-604-57-1093.	do	11,592.00		Do.
Technical Paper Co., Inc., Linden, N.J.	II-331, Dec. 11, 1958	USASSA, Fort Monmouth, IFB-SC-36-039-59-2198.	Blank chart paper	32,060.00	(*)	Contract completed ahead of schedule, May 28, 1959.
Trad Electronics Corp., Asbury Park, N.J.	II-140, Apr. 30, 1956	USASSA, Fort Monmouth, RFP-56-ELC/D-5219.	Signal generators	29,626.00	(*)	Contract completed behind schedule, Mar. 31, 1959. This R. & D. contract delayed by prolonged sporadic acceptance testing. Final delivery about 7 months late.
Do	II-214, Mar. 21, 1957	Dayton AFD, PR-628263 and PR-613450.	do	120,682.00	(*)	Contract completed ahead of schedule, July 22, 1958.
Trenton Textile Engineering & Manufacturing Co., Trenton, N.J.	III-180, Feb. 16, 1959	Brookley AFB, IFB-01-601-59-328.	Nylon body sea anchors	12,797.00	(*)	Contract in process.
Union Electric & Manufacturing Co., Inc., Jersey City, N.J.	II-58, Apr. 12, 1955	Gentile AFD, RFP-33-604-55-2564.	Test shields	16,130.00	119	The company subcontracted entire requirement to a previous producer after procuring agency asked for several changes.
U.S. Chaircraft Manufacturing Corp., Bloomfield, N.J.	II-189, Nov. 8, 1956	Navy GSSO, Philadelphia, IFB-155-(3)-556-57.	Aluminum folding chairs	19,343.00	1,555	Contract completed ahead of schedule, Feb. 10, 1957.
Vineclander Clothes, Inc., Vineland, N.J.	III-163, Aug. 18, 1958	MCTSA, Philadelphia, IFB-QM-(CTM)-36-243-58-895.	Men's cotton wind-resistant saten overcoats with removable liners.	1,335,000.00		Procurement was withdrawn by contracting agency.
The Winslow Co., Inc., Newark, N.J.	II-36, Dec. 9, 1954	WPAFB, RFP-33-600-55-5049.	Electrical-resistance thermometer bulbs.	9,833.00	6,657	Contract completed ahead of schedule, June 29, 1957.
Do	II-252, July 12, 1957	Dayton AFD, IFB-33-604-57-512.	Potentiometer indicators			Procurement withdrawn by contracting agency.
Wright Equipment Corp., Milltown, N.J.	II-304, June 3, 1958	Rome AFD, IFB-30-635-58-384.	Metallic rectifier power supply.	175,753.00	(*)	Contract in process.
Zenith Instrument Co., Inc., Paramus, N.J.	II-171, July 19, 1956	Olmsted AFB, IFB-36-600-56-225.	Parachute-release assemblies.	254,822.00	4,500	Contract terminated for convenience of the Government, Dec. 2, 1957.
NEW YORK						
Adherent Specialty Co., New York, N.Y.	II-172, July 30, 1956	GSA, New York, IFB-FNN-25-0841-A.	Tape	\$ 10,000.00	(*)	Contract completed ahead of schedule, Dec. 31, 1956.
Adler Electronics, Inc., New Rochelle, N.Y.	II-245, June 27, 1957	USASSA, Philadelphia, IFB-SC-36-039-57.	Signal generators	431,445.00	(*)	Do.
Aerial Machine & Tool Co., Long Island City, N.Y.	II-287, Mar. 11, 1958	WPAFB, IFB-33-600-58-90.	Aircraft safety lap-type belts, MD-1 and MD-2.	266,400.00	(*)	Contract completed on schedule, Apr. 30, 1959.
Aircraft Hardware Manufacturing Co., Inc., Bronx, N.Y.	II-44, Feb. 1, 1955	Topeka AFD, IFB-14-604-55-385.	Bolts	20,114.00	1,131	Contract completed behind schedule, Dec. 31, 1955. Material supplier and subcontractors contributed to delay.
Do	II-45, Feb. 1, 1955	Topeka AFD, IFB-14-604-55-388.	do	688.00	116	Contract completed ahead of schedule, July 15, 1955.
Do	II-46, Feb. 14, 1955	Topeka AFD, IFB-14-604-55-434.	do	6,112.00	621	45 days late on 1 item, 30 days on another of 19 items. Most of the items were completed at least 30 days before required deliveries. Delays were occasioned by nonreceipt of materials from suppliers.
Do	II-51, Mar. 9, 1955	Topeka AFD, IFB-14-604-55-483.	do	2,339.00	288	Contract completed behind schedule, Aug. 16, 1955. Procurement covered several items of aircraft bolts. Bolts were delayed at suppliers but contract was successfully completed.
Akeley Camera & Instrument Corp., New York, N.Y.	II-62, Apr. 20, 1955	USASSA, Philadelphia, IFB-SC-36-039-55-1392-53.	Capacitors	75,344.00	13,400	Contract completed behind schedule. Voltmeters delayed at suppliers. Signal Corps expedited final delivery.
A-L Special Design Products, Inc., Amityville, N.Y.	II-10, May 19, 1954	Griffiss AFB, PR-469-498	Control indicators and spare parts.	13,770.00	7,000	Contract completed on schedule, Sept. 15, 1955.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW YORK—continued						
Ameco Electronics Corp., New York, N.Y.	II-209, Mar. 27, 1957...	USASSA, Philadelphia, IFB-SC-36-039-57-1685-56.	Frequency meters plus miscellaneous parts.	\$355,184.00	(*)	Contract in process.
Do.....	II-361, Mar. 27, 1959...	USASSA, Philadelphia, IFB-SC-36-039-59-1651-A-3.	.....do.....	506,025.00	(*)	Do.
American Electrical Appliance Corp., Bronx, N.Y.	II-6, Apr. 19, 1954.....	GSSO, Philadelphia, IFB No. 3-1870.	Electric heaters.....	10,280.00	\$1,056	Contract completed ahead of schedule, Sept. 14, 1954.
American-Moninger Greenhouse Manufacturing Corp., Brooklyn, N.Y.	II-150, May 15, 1956.....	USASSA, Fort Monmouth, RFP-PR&C-56-FLC/D-4604.	Shelters for electrical equipment.	60,628.00	(*)	Contract completed ahead of schedule, June 30, 1958.
Do.....	II-305, June 11, 1958.....	USASSA, Fort Monmouth, IFB-PR&C-4054-58-SPO.	Shelters for electrical equipment plus terminal data.	217,738.00	(*)	Contract terminated for convenience of Government, May 30, 1959.
Architectural Metalcrafts Corp., Long Island City, N.Y.	II-234, May 29, 1957.....	AF Academy, IFB-05-611-57-69.	Valet units.....	369,600.00	(*)	Contract completed behind schedule. Delay in preproduction approval and design changes.
Audiosears Corp., Roxbury, N.Y.	II-338, Jan. 8, 1959.....	USASSA, Chicago, IFB-SC-36-039-59-24-A5-51.	Electrical chest sets plus extras.	10,259.00	(*)	Completed on schedule, June 19, 1959.
Automatic Metal Products Corp., Brooklyn, N.Y.	II-362, Mar. 27, 1959.....	USASSA, Philadelphia, IFB-SC-36-039-59-805-C1.	Cable assemblies.....	52,306.00	(*)	Contract in process.
Awl Industries, Inc., Brooklyn, N.Y.	II-142, May 4, 1956.....	ASMPA, IFB-MPA-287-MD-56-551.	Identification holders.....	8,053.00	(*)	Contract completion delayed by the plant moving to new location.
Do.....	II-144, May 7, 1956.....	Army Quartermaster Parts Center, Columbus, IFB-QM-33-031-56-230.	Check valves and washers...	827.00	(*)	Contract completed ahead of schedule, Aug. 31, 1956.
Beakatron Manufacturing Corp., Brooklyn, N.Y.	II-179, Sept. 19, 1956.....	USASSA, Philadelphia, IFB-SC-36-039-57-112-56.	Reel equipment.....	14,698.00	(*)	Contract deliveries were first delayed by late receipt of Government-furnished phones. Burglary in the plant caused shortages of parts which were difficult to obtain in the small quantities required for replacement.
Do.....	II-258, Sept. 20, 1957.....	USASSA, Philadelphia, IFB-SC-36-039-58-163-56.	Portable reels.....	58,701.00	(*)	Contract completed behind schedule, Dec. 19, 1958. Other Government orders had higher priority. Some unanticipated production difficulty.
Browne & Bryan Lumber Co., Inc., New York, N.Y.	II-231, May 8, 1957.....	Griffiss AFB, IFB-30-635-57-283.	Creosoted poles.....	50,215.00	(*)	Contract completed ahead of schedule, Feb. 18, 1957.
Cadillac Electronics Corp., New York, N.Y.	II-18, June 17, 1954.....	Mallory Air Force Base, IFB-40-604-54-66.	Bearings.....	2,860.00	1,089	Contract completed ahead of schedule, July 30, 1954.
Do.....	II-19, June 17, 1954.....	Topeka AFB, IFB-14-604-54-656.	Blind rivets.....	5,580.00	(*)	Shipment about 5 months late because of difficulty with subcontractor.
Do.....	II-21, June 17, 1954.....	Gentile AFB, RFP-33-604-54-1388.	Relays and connectors.....	4,205.00	(*)	Several months' delay was caused by testing at procuring agency laboratory. There was also some delay by suppliers. Total delay about 5 months.
Do.....	II-23, June 24, 1954.....	Frankford Arsenal, IFB-ORD-26-038-54-1074.	Capacitors.....	25,300.00	1,650	Shipment delayed 25 days due to effects of hurricane on subcontractor.
Carb Manufacturing Co., Brooklyn, N.Y.	II-229, June 13, 1957.....	GSSO, Philadelphia, N-155-29485.	Aluminum chairs.....	60,443.00	173	Contract completed ahead of schedule, Nov. 18, 1957.
Do.....	II-266, Oct. 31, 1957.....	GSSO, Philadelphia, IFB-155-(3)-158-58.	Aluminum clothing lockers..	100,424.00	(*)	Contract terminated for default. An extended strike contributed to the concern's difficulty.
Cargo Packers, Inc., Glendale, Long Island, N.Y.	II-303, May 26, 1958.....	USASSA, Philadelphia, IFB-SC-36-039-58-2008-B4.	Splice connectors.....	38,350.00	-----	Procurement withdrawn May 29, 1958.
Coaxial Connector Co., Inc., Mount Vernon, N.Y.	II-106, Jan. 25, 1956.....	USASSA, Chicago, IFB-SC-36-039-56-306-(51).	Adapters.....	53,187.00	9,252	Contract completed behind schedule, Feb. 24, 1958. Completion delayed by subcontractor for Teflon insulators. Company reorganization caused some delay. Final shipment of a total of 91,000 units made 4½ months late.
Do.....	II-107, Jan. 31, 1956.....	USASSA, Philadelphia, RFP-SC-36-039-56-10246-56.	Cable assemblies.....	20,447.00	(*)	Contract completed behind schedule, Apr. 30, 1957. Company experienced trouble with suppliers of cable and insulators, one of them a sole source. Final delivery was 6 months late.
Coll Winders, Inc., Westbury, Long Island, N.Y.	II-116, Feb. 28, 1956.....	Gentile AFB, RFP-33-604-56-2094.	Coils.....	21,883.00	(*)	Contract completed ahead of schedule, Aug. 31, 1956.
Cole Laboratories, Long Island City, N.Y.	II-75, June 14, 1955.....	Redstone Arsenal, IFB-ORD-01-021-55-544.	Rocket fuel.....	217,604.00	37,721	Contract completed ahead of schedule, Feb. 20, 1956.
Columbus Electronics Corp., Yonkers, N.Y.	II-105, Jan. 20, 1956.....	USASSA, Philadelphia, RFP-SC-36-039-56-10266-56.	Test sets.....	25,171.00	(*)	Contract completed behind schedule, June 20, 1958. Sole source of precision brass bellows could not deliver as required. Specified potentiometers failed and required correction. Completed about 6 months late.
Do.....	II-246, June 27, 1957.....	USASSA, Philadelphia, IFB-SC-36-039-57-2066-56.	Interphone controls, plus miscellaneous extras.	27,174.00	(*)	Contract completed behind schedule, July 28, 1958. Breakdown of a specified rotary switch caused delay of 1 month in final shipment.
Do.....	II-247, June 27, 1957.....	USASSA, Philadelphia, IFB-SC-36-039-57-2245-56.	Radio test sets, plus miscellaneous extras.	19,226.00	(*)	Contract completed behind schedule, July 14, 1958. Completed about 2 months late. Sole source of precision brass bellows could not deliver as required.
Concord Suppliers & Equipment Corp., New York, N.Y.	II-2, Apr. 19, 1954.....	Army Quartermaster Purchasing Agency, N.Y., IFB-QM-30-280-54-307.	Tents.....	534,977.00	41,032	Contract completed on schedule, Jan. 5, 1955.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW YORK—continued						
Concord Suppliers & Equipment Corp., New York, N.Y.	II-3, Apr. 14, 1954	Army Quartermaster Purchasing Agency, N.Y., IFB-QM-30-280-54-302.	Tent liners	\$484,560.00	\$15,754	Contract completed on schedule, Dec. 22, 1954.
Do.	II-37, Dec. 23, 1954	Gadsden AFB, IFB-01-608-55-12.	Envelopes	160,107.00		Procurement withdrawn by contracting agency Jan. 4, 1955.
Continental Electronics, Ltd., Brooklyn, N.Y.	II-153, May 23, 1956	Dayton AFD, RFP-33-604-56-3456.	Noise suppressors and capacitors.	15,900.00	(*)	Contract completed ahead of schedule, Mar. 1, 1957.
County Machine & Tool Co., Brooklyn, N.Y.	II-27, Oct. 13, 1954	Army Quartermaster Depot, Chicago, IFB-QM-11-000-55-36.	Fuel tube assemblies and valves.	13,357.00	130	Contract completed ahead of schedule, Feb. 25, 1955.
Crossbar Telephone & Signal Corp., Brooklyn, N.Y.	II-250, June 28, 1957	USASSA, Philadelphia, IFB-SC-36-039-57-2571-56.	Telephone switchboards	59,750.00	(*)	Delay of technical items at subcontractor's plant caused 5 months delay. Contract completed Dec. 24, 1958.
C.T.M. Co., Inc., Buffalo, N.Y.	II-22, June 21, 1954	WPAFB, RFP-33-600-54-5143.	Bomb racks and spare parts.	28,523.00	(*)	Contract completed ahead of schedule, Oct. 21, 1955.
Dynamic Electronics-New York, Inc., Glendale, Long Island, N.Y.	II-7, Apr. 21, 1954	Gentile AFD, RFP-33-604-54-1154.	Radar test sets and spare parts.	24,620.00	11,232	Contract completed ahead of schedule, Feb. 21, 1955.
Dynamic Electronics-New York, Inc., Glendale, Long Island, N.Y.	II-195, Dec. 27, 1956	USASSA, Philadelphia, IFB-SC-36-039-57-852-55.	Indicators	124,177.00		Procurement withdrawn, Jan. 2, 1957.
Dynamic Electronics-New York, Inc., Richmond Hill, Long Island, N.Y.	II-203, Feb. 14, 1957	USASSA, Philadelphia, IFB-SC-36-039-57-1766-55.	Azimuth and range indicators plus drawings.	116,368.00	(*)	Contract completed behind schedule, Mar. 20, 1959. Sole source would not furnish component. Modifications were made but delivery time was not extended by contracting agency.
Eastern Electronics & Tool Co., Lindenhurst, Long Island, N.Y.	II-286, Feb. 26, 1958	USASSA, Chicago, IFB-SC-36-039-58-917-(51).	Reel equipment type CE-11() plus technical data.	22,715.00	1,450	Tardiness in approval of pre-production model delayed completion of the contract a month, Oct. 23, 1958.
Electronic Components Co., Flushing, Long Island, N.Y.	II-275, Dec. 19, 1957	Navy Electronics Supply Office, Great Lakes, IFB-126-107-58.	Electrical cord assemblies	11,491.00	1,717	Contract completed on schedule, May 7, 1958.
Elm Manufacturing Co., Inc., Hastings-on-Hudson, N.Y.	II-327, Oct. 23, 1958	W-P AFB, IFB-33-600-58-288.	Still picture projectors plus spare parts and technical data.	329,052.00	107,644	Contract in process.
Euclid Equipment, Inc., Freeport, Long Island, N.Y.	II-24, June 29, 1954	Rome AFD, RFP-30-635-54-4057.	Generator control panels	51,952.00	3,721	Contract completed behind schedule, Jan. 5, 1956. Contractor waited for specifications, approval of first article, approval of provisioning list, and shipping instructions. Minor delay caused by supplier of voltage regulators.
Federal Television Corp., Long Island City, N.Y.	II-169, June 28, 1956	Rome AFD, RFP-635-56-5012.	Modulator-power supply, plus spare parts.	812,523.00	(*)	Contract completed ahead of schedule, Nov. 28, 1958.
Frank & Warren, Brooklyn, N.Y.	II-53, Mar. 23, 1955	Rome AFD, RFP-30-635-55-22.	Aluminum microfilm reels	17,821.00	8,206	Contract completed behind schedule, Mar. 14, 1956. Delays caused by change orders, redesign of dies, delay in receipt of bill of lading. More than a month was taken to issue 1 change order.
Do.	II-353, Mar. 18, 1959	U.S. Army Engineers Procurement Office IFB-DA-ENG-11-184-59-B/E-393.	Surveying arrow sets	1,617.00	(*)	Contract in process.
General Textile Mills, Inc., New York, N.Y., (Plant in Carbondale, Pa.)	II-101, Nov. 16, 1955	Army QM Depot, Philadelphia, RFP-QM-36-030-56-Neg-59.	Nylon webbings	715,350.00	(*)	Contract completed ahead of schedule, July 2, 1956.
Do.	II-104, Jan. 17, 1956	Hill AFB, Utah, IFB-42-600-56-120.	Nylon cords	140,045.00	(*)	Contract completed on schedule, Mar. 22, 1957.
GEN-TEX Corp., New York, N.Y. (General Textile Mills, Inc.)	II-288, Mar. 28, 1958	ASO, Philadelphia, IFB-383-268-58.	Pilot's protective type APH-5 flying helmets.	1,248,180.00	50,876	Contract in process.
G.F.C. Manufacturing Co., Inc., Brooklyn, N.Y.	II-306, June 12, 1958	Army Quartermaster Purchasing Agency, Columbus IFB-QM-33-031-58-680.	Floor lamps	12,458.00	(*)	Contract completed on schedule, Nov. 18, 1958.
Do.	II-319, Sept. 12, 1958	Army Quartermaster Purchasing Agency, Columbus, IFB-QM-33-031-58-709.	Light table, type VI	33,800.00	(*)	Contract completed ahead of schedule, Mar. 24, 1959.
Henry Products Co., Brooklyn, N.Y.	II-178, Oct. 4, 1956	USASSA, Philadelphia, IFB-SC-36-039-57-45-55.	Antenna supports	35,595.00	(*)	Contract completed ahead of schedule, May 2, 1957.
Do.	II-184, Oct. 12, 1956	USASSA, Philadelphia, IFB-SC-36-039-57-860-56.	Reel units	10,729.00	(*)	Contract completed ahead of schedule, Dec. 28, 1956.
Hercules Food Service Equipment, Inc., Brooklyn, N.Y.	II-41, Jan. 26, 1955	ASMPA, Brooklyn, IFB-MPA-30-287-MD-55-258.	Instrument stands	23,493.00	191	Contract completed behind schedule, Nov. 30, 1955. Wildcat strike, reorganization, financial problems, and supplier trouble contributed to delay.
Do.	II-55, Mar. 28, 1955	ASMPA, Brooklyn, IFB-MPA-30-287-MD-55-447.	Sterilizers	187,974.00	1,688	Final shipment 3 months late, Mar. 9, 1956.
Holmsberg Electric Co., Inc., West Islip, Long Island, N.Y.	II-158, June 6, 1956	Olmsted AFB, IFB-36-600-56-202.	Repair of oxygen trailers	3,080.00	(*)	Contract completed behind schedule, Nov. 28, 1956. Trailers were furnished late and spare parts were found after some delay.
Howal-Ronset Instrument Co., Inc., Tuckahoe, N.Y.	II-366, Apr. 14, 1959	W-P AFB, IFB-33-600-59-40.	Control panels, relay assemblies, amplifiers, and filters.	488,511.00	(*)	Contract in process.
Ideal Carbon Paper Corp., New York, N.Y.	II-218, Apr. 3, 1957	GSA-New York, IFB-FN6N-20-21519-A.	Duplicating master paper	111,494.00	1,115	Contract completed ahead of schedule, July 10, 1957.
Do.	II-289, Mar. 24, 1958	GSA-New York, IFB-FN6N-B-3471-A-2-25-58.	Paper sets	48,000.00	(*)	Contract completed behind schedule Nov. 30, 1958. Contract was produced on time but delayed 1 month awaiting shipping instructions.
Do.	II-291, Apr. 10, 1958	GSA-New York, IFB-FN6N-L-3494-A-3-25-58.	Teletypewriter paper for spirit process duplication.	41,213.00	963	Contract completed on schedule, Nov. 30, 1958.
Do.	II-293, Apr. 25, 1958	GSA-N.Y., IFB-FN6N-B-3915-A-4-3-58.	Boxes 8 by 10½ inches master duplicating paper sets w/o protective coating.	18,060.00	263	Contract completed on schedule, Dec. 3, 1958.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW YORK—continued						
International Electric Industries, Inc., Brooklyn, N.Y.	II-343, Feb. 20, 1959...	USASSA, Chicago, IFB-SC-36-039-59-128-C1-51.	Electrical assembly cord....	\$21,378.00	(*)	Contract in process.
Islip Machine Works, Inc., Central Islip, N.Y.	II-52, Mar. 24, 1955....	Army Ordnance Corps, Springfield, IFB-ORD-19-158-55-77.	Rifle parts.....	14,133.00		Contract terminated for convenience of Government.
Jeta, Inc., Yonkers, N.Y.	II-320, Sept. 18, 1958...	U.S. Army Engineer District, Chicago, IFB-DA-ENG-11-184-59-AF-11.	Diesel engine driven electric 15 kilowatt generator sets.	1,354,644.00	(*)	Contract in process.
Do.....	II-376, June 24, 1959....	U.S. Army Engineer Procurement Office, Chicago, IFB-DA-ENG-11-184-59-AF-678.	Diesel engine driven generator set.	450,160.00	(*)	Do.
Kennedy Sporting Goods Manufacturing Co., Inc., Utica, N.Y.	II-317, Sept. 5, 1958....	MOTSA, Philadelphia, IFB-QM(CTM)-36-243-59-31.	Leather chipper gloves.....	62,360.00	(*)	Contract completed ahead of schedule, Apr. 1, 1959.
Key Book Service, New York, N.Y.	II-5, Apr. 16, 1954.....	Wilkins AFD, IFB-33-602-54-82.	Books, subscriptions, and other publications.	400,000.00	(*)	Contract completed on schedule, Mar. 31, 1955.
Kings Electronics Co., Inc., Tuckahoe, N.Y.	II-81, June 23, 1955....	USASSA, IFB SC-36-039-55-1965-50.	Cable assemblies.....	14,987.00	(*)	Final delivery about 3 months late, June 28, 1956. A strike, waiting for the inspector, and difficulty with the trucking company contributed to the delay.
Do.....	II-187, Oct. 30, 1956....	BuShips, IFB-600-6-57-S...	Antenna, plus spare parts and technical data.	33,896.00	\$2,184	Contract completed on schedule, Oct. 23, 1957.
Lamtek Corp. of America, Inc., Poughkeepsie, N.Y.	II-191, Nov. 21, 1956...	Army Quartermaster Purchasing Agency, Columbus, RFP-CG-1-005-04-07-CG-1-0022-00-5-07.	Skis.....	108,879.00	(*)	Contract completed behind schedule, Oct. 31, 1958. Inspection delay by procuring service, defective GFE test equipment required 5 months to correct, time delay waiting for decision on acceptability of some skis.
Legion Utensils Co., Long Island City, N.Y.	II-177, Aug. 24, 1956....	Army Quartermaster Purchasing Agency, Columbus IFB-QM-33-031-57-5.	Kettles.....	5,549.00	(*)	Contract completed on schedule, Jan. 28, 1957.
Madican Design Service Co., Long Island, N.Y.	II-273, Dec. 16, 1957...	Army Transportation Supply and Maintenance Command, St. Louis, IFB-TC-23-204-58-26-Navy ESO.	Services, materials, and supplies to perform miscellaneous art work through June 30, 1958.	45,000.00	(*)	Contract completed on schedule, June 30, 1958.
Manhattan Electric & Maintenance Co., Brooklyn, N.Y.	II-94, Oct. 13, 1955....	NPO, Brooklyn RFP-Q-3677.	Fans.....	15,600.00	(*)	Contract completed ahead of schedule, Dec. 20, 1955.
L. Marino Inc., Brooklyn, N.Y.	II-182, Sept. 28, 1956...	Army Quartermaster Purchasing Agency, Columbus, IFB-QM-33-031-57-39.	Liner band, helmet.....	61,968.00	(*)	Contract completed behind schedule. Delay caused by subcontractor failing to obtain approval on a buckle finish.
Medical Equipment Co., New Hyde Park, N.Y.	II-92, Sept. 21, 1955....	ASMPA, IFB-MPA-30-287-MD-56-52.	Battery power supply.....	2,239.00	(*)	Contract completed behind schedule, Mar. 31, 1956. Shipments delayed 3 months by lack of shipping instructions. Production completed on time.
Donald P. Mossman, Inc., Brewster, N.Y.	II-56, Mar. 31, 1955....	Gentile AFB, RFP-33-604-55-2491.	Cam lever switches.....	24,360.00	(*)	Contract completed behind schedule, Nov. 30, 1955. Final delivery about 3 months late. Shortage of brass caused by flood in Connecticut delayed production.
Neptune Electronics Co., New York, N.Y.	II-123, April 2, 1956....	WPAFB, IFB-33-600-56-23.	Antennas.....	20,582.00		Contract terminated for convenience of Government Sept. 5, 1956.
Octagon Process, Inc., Staten Island, N.Y.	II-167, June 19, 1956...	Raritan Arsenal, IFB-ORD-28-024-56-432.	Solvent cleaning compound.	12,120.00	(*)	Contract completed ahead of schedule, Mar. 12, 1957.
Do.....	II-173, July 27, 1956....	Raritan Arsenal, IFB-ORD-28-024-56-662.	Corrosion removing compound.	99,000.00	(*)	Contract completed behind schedule, July 17, 1957. Inspection service required container redesign. Quality test procedure decision caused delay.
Do.....	II-208, Mar. 7, 1957....	GSSO, Philadelphia, IFB-155-(4)-884-57.	Engine cleaning compound (cresal base).	23,217.00	(*)	Contract completed ahead of schedule, Apr. 9, 1957.
Do.....	II-221, Apr. 5, 1957....	GSSO, Philadelphia, IFB-155-(4)-1519-57.	Liquid wetting agent.....	14,676.00	(*)	Contract completed ahead of schedule, June 28, 1957.
Pax Electronics Co., Glendale, N.Y.	II-220, Apr. 9, 1957....	Redstone Arsenal, IFB-ORD-01-021-57-467.	Miscellaneous electronic parts.	16,300.00	(*)	Contract completed behind schedule, Aug. 26, 1957. Company waited for formal purchase order before proceeding. Notice of award was 30 days earlier.
Do.....	II-222, Apr. 9, 1957....	Redstone Arsenal, IFB-ORD-01-021-57-506.	.....do.....	10,819.00	(*)	Contract completed behind schedule, July 29, 1957. Company waited for formal purchase order before proceeding. Notice of award was 30 days earlier.
Do.....	II-223, Apr. 9, 1957....	Redstone Arsenal, IFB-ORD-01-021-57-531.	.....do.....	23,795.00	(*)	Contract completed behind schedule, Aug. 14, 1957. Company waited for formal purchase order before proceeding. Notice of award was 30 days earlier.
Pearl Table Corp. Brooklyn, N.Y.	II-294, Apr. 28, 1958...	Army Quartermaster Purchasing Agency, Columbus, IFB-QM-33-031-58-467.	Table, card, type III under item 4B; table, dining, item 6b; table occasional, item 7b.	36,257.00	(*)	Contract completed ahead of schedule, Oct. 7, 1958.
Pelleco Manufacturing Co., Mt. Vernon, N.Y.	II-8, May 5, 1954.....	Aberdeen Proving Ground, 54-291.	Tube and plate assembly....	1,850.00	749	Contract completed behind schedule, July 29, 1954. Packaging subcontractor delayed final shipment.
Jack Picouit, New York, N.Y.	II-358, Apr. 2, 1959....	GSA, Washington, D.C., project No. J.O.-80094.	Lighting improvements, partial painting, etc., USPO, Morgan Annex, N.Y.	884,000.00	(*)	Contract in process.
Pioneer Chemicals Co., Inc., Long Island City, N.Y.	II-199, Jan. 28, 1957...	Redstone Arsenal, IFB-ORD-01-021-57-433.	Starting fluid.....	74,840.00	(*)	Contract completed ahead of schedule, May 3, 1957.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW YORK—continued						
Precision Associates, Inc., Brooklyn, N.Y.	II-163, June 14, 1956...	USASSA, Philadelphia, RFP-PD-43/816-15119.	Modification kits.....	\$92,160.00	\$373	Contract completed on schedule, Aug. 28, 1957.
Precision Video Recording Co., New York, N.Y.	II-323, Oct. 2, 1958....	Armed Forces Radio and Television Service, Los Angeles, IFB-IE-04-296-59-2.	Labor, materials, and engineering for recording (kinescoping) television programs in New York area.	\$ 15,000.00	(*)	Contract completed on schedule, June 20, 1959.
Production Paints & Coatings, Inc., Brooklyn, N.Y.	II-206, Feb. 28, 1957....	GSSO, Philadelphia, IFB-155-(4)-832-57.	Enamel, outside, gray.....	15,857.00	(*)	Contract completed behind schedule, June 28, 1957. Completed 18 days behind schedule. At least 60 days passed while waiting for procuring service approval of test sample.
R. E. C. Corp., New Rochelle, N.Y.	II-253, July 25, 1957....	GSSO, Philadelphia, IFB-155-(2)-57-2519.	Studs, continuous thread, alloy steel.	12,230.00	(*)	Contract completed ahead of schedule, Nov. 1, 1957.
Do.....	II-254, July 25, 1957....	GSSO, Philadelphia, IFB-155-(2)-2280-57.	do.....	22,274.00	(*)	Do.
Recessed Screw Co., Inc., New York, N.Y.	II-29, Nov. 18, 1954....	Topeka AFD, IFB-14-604-55-118-Class 29.	Screws.....	4,786.00	(*)	Contract completed ahead of schedule, Mar. 31, 1955.
Do.....	II-30, Nov. 24, 1954....	Topeka AFD, IFB-14-604-55-136-Class 29.	do.....	4,647.00	21	Contract completed behind schedule, June 18, 1955. Delays in final inspection by the contracting agency contributed to the delay. Time also was lost awaiting shipping instructions.
Do.....	II-31, Nov. 24, 1954....	Topeka AFD, IFB-14-604-55-139-Class 29.	do.....	1,726.00	262	Contract completed 1 month behind schedule, May 31, 1955.
Relays, Inc., New York, N.Y.	II-11, May 19, 1954....	Gentile AFD, RFP-33-604-54-1661.	Electrical relays.....	29,570.00	9,205	Contract completed ahead of schedule, Aug. 31, 1954.
Do.....	II-226, Apr. 10, 1957....	Dayton AFB, RFP-33-604-57-2187.	Miniature relays.....	22,080.00	(*)	Contract completed ahead of schedule, June 14, 1957.
Roanwell Corp., Brooklyn, N.Y.	II-108, Feb. 20, 1956....	Rome AFD, RFP-30-635-56-4190.	Headsets.....	246,900.00	(*)	Contract completed on schedule, Feb. 20, 1958.
Rubber Dipt Products, Inc., Port Chester, N.Y.	II-113, Feb. 24, 1956....	Rome AFD, IFB-30-635-45-79.	Latex rubber microphone shields.	16,636.00	(*)	Contract completed behind schedule, May 28, 1958. Production contract evolved into R. & D. Agency representatives disagreed on design. Delay in approval by laboratories.
Sanitary Sleep Products Corp., Brooklyn, N.Y.	II-313, July 22, 1958....	MCTSA, Philadelphia, IFB-QM(CTM)-36-243-56-290.	Cotton field caps.....	496,034.00	-----	Contract terminated by default, June 18, 1959. Union jurisdictional dispute resulted in nonperformance and eventual termination for default.
Schaffer Air Industries, Inc., Brooklyn, N.Y.	II-137, Apr. 27, 1956....	ASO, Philadelphia, IFB-383-833-56.	Preservation units.....	75,789.00	(*)	Contract completed behind schedule, June 27, 1957. Changes in specifications and delay in packaging inspection caused procuring service to extend delivery date. Final shipment only 20 days late.
Do.....	II-309, June 26, 1958....	ASO, Philadelphia, IFB-383-694-58.	do.....	18,990	(*)	Contract completed ahead of schedule, Feb. 11, 1959.
Seneca Industrial Machine Co., Buffalo, N.Y.	II-325, Oct. 17, 1959....	BuShips, IFB-600-1-59-S....	Hydraulic telemotor system controls plus technical data.	\$ 36,000.00	-----	Procurement withdrawn, Nov. 12, 1958.
Silver Refrigeration Manufacturing Corp., Brooklyn, N.Y.	II-128, Apr. 9, 1956....	BuShips, IFB-600-700-56-S.	Refrigerators.....	8,303.00	(*)	Contract completed behind schedule, Oct. 31, 1956. Delay in receipt of bill of lading caused final shipment to be 1 month late.
Do.....	II-129, Apr. 9, 1956....	BuShips, IFB-600-703-56-S.	Frozen food cabinets.....	23,812.00	(*)	Contract completed behind schedule, Oct. 31, 1956. Delay due to inspection approval of sample. Completed about 2 months late.
Do.....	II-176, Aug. 15, 1956....	Ships Parts Control Center, Mechanicsburg, IFB-104-403-56.	Refrigerators.....	65,688.00	(*)	Contract completed behind schedule, Mar. 25, 1957. Delivery about 2 months late; resulted from delivery of incorrect control. Some delay encountered waiting for inspection approval.
Sintercast Corp. of America, Yonkers, N.Y.	II-131, Apr. 11, 1956....	WPAFB, RFP-PR-11239....	Services.....	43,961.00	(*)	Contract completed on schedule, May 27, 1957.
J. Sklar Manufacturing Co., Inc., Long Island City, N.Y.	II-318, Sept. 9, 1958....	AMPSA, IFB-62851-32-59 (set-aside portion).	Suction and pressure apparatus for surgical mobile unit.	23,814.00	(*)	Contract completed ahead of schedule, Mar. 31, 1959.
Spring Chemicals, Inc., Bronx, N.Y.	II-35, Dec. 8, 1954....	Rome AFD, RFP-30-635-55-11.	Photostat developer.....	14,199.00	1,254	Contract completed ahead of schedule, Feb. 15, 1955.
Stanley Transformer Co., Long Island City, N.Y.	II-54, Mar. 22, 1955....	USASSA, Philadelphia, 58/5-SF-29630 and 58/5-SF-29476.	Transformers.....	24,200.00	1,229	Contract completed behind schedule, Apr. 2, 1956. Transformer laminations received from regular supplier failed test. Alternate supplier on strike. Final shipment 4 months late.
States Textile Co., New York, N.Y.	II-109, Feb. 17, 1956....	NPO, Brooklyn, IFB-N140-853-56.	Men's cotton undershirts....	704,814.00	(*)	Contract completed behind schedule, May 25, 1957. Final shipment about 1 month late. Subcontractor's shipment of cloth caused delay.
Stayfast Corp., New York, N.Y.	II-300, May 26, 1958....	GSA, New York, IFB-FN6N-R-3930-A-4-16-58.	Boxes, fasteners, paper, file, metallic, type 1.	\$ 25,500.00	(*)	Contract completed on schedule, Jan. 19, 1959.
Harry Stewart Co., New York, N.Y.	II-159, June 13, 1956....	Dover AFB, IFB-07-603-56-179.	Mechanics' hand tools.....	10,189.00	(*)	Contract completed behind schedule, Apr. 8, 1957. Special parts delayed from subcontractor.
Systems Associates, Inc., Huntington Station, Long Island, N.Y.	II-316, Aug. 26, 1958....	WPAFB, RFP-PR-09009....	Development of shutter for high speed aerial cameras, plus technical data.	49,972.00	(*)	Contract in process.
Taffet Radio & Television Co., Bronx, N.Y.	II-57, Mar. 31, 1955....	SOCA, Philadelphia, IFB-SC-36-039-55.	Reel equipment.....	87,938.00	(*)	Contract completed ahead of schedule, Oct. 8, 1956.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW YORK—continued						
Taffet Radio & Television Co., Woodside, Long Island, N.Y.	II-115, Feb. 24, 1956...	USASSA, Philadelphia, IFB-SC-36-039-56-481-58.	Racks.....	\$119,063.00	\$29,684	Contract completed on schedule, Mar. 1, 1957.
Do.....	II-148, May 16, 1956...	Dayton AFD, RFP-33-604-56-1569.	Oscillators and spare parts..	557,533.00	7,000	Contract completed on schedule, Mar. 31, 1958.
Do.....	II-243, June 27, 1957...	Dayton AFD, IFB-33-604-57-373.	Audio oscillators, plus miscellaneous extras.	213,850.00	(*)	Contract completed ahead of schedule, July 17, 1959.
Do.....	II-260, Sept. 20, 1957...	USASSA, Philadelphia, IFB-SC-36-039-58-175-56.	Hydrogen generators, ML-303()ITM.	16,896.00	(*)	Contract completed ahead of schedule.
Do.....	II-297, May 20, 1958...	USASSA, Philadelphia, IFB-SC-36-039-58-2228-C4.	Cable chambers, terminal, TA-91 O/FT.	396,446.00	(*)	Contract completed ahead of schedule, June 30, 1959.
Teletronic Laboratories, Inc., Westbury, Long Island, N.Y.	II-310, June 26, 1958...	USASSA, Philadelphia, IFB-SC-36-039-58-2415-A3.	Oscilloscope, USM-50(), plus technical data.	238,157.00	(*)	Contract in process.
Telectro Industrial Corp., Long Island City, N.Y.	II-162, June 13, 1956...	USASSA, Philadelphia, IFB-SC-36-039-56-879-55.	Rectifiers, plus miscellaneous extras.	138,000.00	(*)	Contract completed behind schedule, Feb. 21, 1958. Components such as meters and transformers were received late from reputable suppliers. Also some changes in specifications were involved. The delivery requirements were extended, but not sufficiently to make up for delay.
Tensor Electric Development Co., Inc., Brooklyn, N.Y.	II-285, Feb. 10, 1958...	BuShips, IFB-600-405-58-S.	Control amplifiers, power amplifiers, accessory kits, and related items.	30,530.00	(*)	Contract completed on schedule, May 29, 1959.
Therm-Air Manufacturing Co., Peekskill, N.Y.	II-280, Jan. 28, 1958...	Army Engineers district, New York, IFB-ENG-30-075-58-122.	3-ton air conditioning units..	44,252.00	12,748	Contract completed behind schedule, May 28, 1958. A strike at a vital supplier's plant delayed final delivery 2 months.
T. L. G. Electric Corp., New York, N.Y.	II-4, Apr. 19, 1954....	Rome AFD, PR-406185, PR-406942.	Patching bays, cabinets, and spare parts.	161,131.00	-----	Contract awarded another supplier.
Do.....	II-38, Jan. 19, 1955....	Rome AFD, RFP-30-635-55-019.	Monitor and power supply units.	41,240.00	3,906	Contract terminated for default, approximately Aug. 15, 1956. Case went to ASBCA. GFE provided late, difficulty encountered obtaining detailed specifications, and other administrative delays contributed to failure to perform.
Transdyne Corp., Marpath, Long Island, N.Y.	II-154, May 17, 1956...	Dayton AFD, RFP-33-604-56-3273.	Test shields.....	10,445.00	(*)	Contract completed on schedule, Oct. 29, 1957.
Tru-Craft Clothes, Inc., Brooklyn, N.Y.	II-98, Nov. 10, 1955...	Army QMD, Philadelphia, IFB-QM-36-030-56-NEG-33.	Toxicological boots.....	20,760.00	2,740	Contract completed behind schedule, Apr. 4, 1958. Complicated inspection procedures and specifications changes caused completion delay.
Twentieth Century Paint & Varnish Corp., Brooklyn, N.Y.	II-230, May 2, 1957...	GSSO, Philadelphia, IFB-155-(4)-1746-57.	Enamel, synthetic.....	675,850.00	(*)	Contract completed on schedule, Apr. 1, 1958.
United Microwave Co., Valhalla, N.Y.	II-373, June 10, 1959...	Navy Electronics Supply Office, Great Lakes, IFB-126-1030-59.	Fitting transmission line fitting.	15,400.00	(*)	Contract not yet awarded.
Universal Transistor Products Corp., New York, N.Y.	II-244, June 26, 1957...	Frankford Arsenal, IFB-ORD-36-038-57-SP-477.	Power supplier.....	11,760.00	7,440	Contract awarded another supplier.
Universal Pin Co., Brooklyn, N.Y.	II-355, Mar. 23, 1959...	Department of the Navy, IFB-600-211-59-0.	Pallet adapters.....	363,744.00	(*)	Contract in process.
Worthy Chemical Corp., Brooklyn, N.Y.	II-76, Oct. 28, 1955....	Rome AFD, IFB-30-635-56-4398.	Photo chemicals.....	9,886.00	(*)	Contract completed on schedule, Mar. 31, 1956.
Worthy Chemical Corp., Brooklyn, N.Y.	II-96, Nov. 16, 1955....	Raritan Arsenal, IFB-ORD-28-024-56-31.	Cleaning compound.....	19,198.00	(*)	Contract completed behind schedule Mar. 31, 1956. Final shipment about 6 weeks late. There was about 1-month delay because concern did not receive bill of lading. There was also a 2-week delay by inspection services.
Do.....	II-100, Nov. 16, 1955....	Raritan Arsenal, IFB-ORD-28-024-56-70.	.....do.....	12,462.00	(*)	Contract completed behind schedule, Apr. 17, 1956. Final delivery about 60 days late. Subcontractor did not furnish containers as promised. There was also inspection delay, and about 1-month delay waiting for bill of lading.
Do.....	II-138, May 1, 1956....	Rome AFD, IFB-30-635-56-291.	Photographic developer.....	8,758.00	(*)	Contract completed behind schedule, Aug. 20, 1956. Containers were delayed at subcontractor's plant.
Do.....	II-139, May 8, 1956....	Rome AFD, IFB-30-635-56-208.	.....do.....	7,282.00	(*)	Contract completed behind schedule, Aug. 20, 1956. Containers were delayed at subcontractor's plant.
20th Century Paint & Varnish Corp., Brooklyn, N.Y.	II-230, May 2, 1957...	GSSO-Philadelphia, IFB-155-(4)-1746-57.	Enamel, synthetic.....	675,850.00	(*)	Contract completed on schedule, Apr. 1, 1958.
United Microwave Co., Valhalla, N.Y.	II-373, June 10, 1959...	Navy Electronics Supply Office, Great Lakes, IFB-126-1030-59.	Fitting transmission line fitting.	15,400.00	(*)	Contract not yet awarded.
Universal Transistor Products Corp., New York, N.Y.	II-244, June 26, 1957...	Frankford Arsenal, IFB-Ord-36-038-57-SP-477.	Power supplier.....	11,760.00	7,440	Contract awarded another supplier.
Universal Pin Co., Brooklyn, N.Y.	II-355, Mar. 23, 1959...	Department of Navy, IFB-600-211-59-0.	Pallet adapters.....	363,744.00	(*)	Contract in process.
Worthy Chemical Corp., Brooklyn, N.Y.	II-76, Oct. 28, 1955....	Rome AFD, IFB-30-635-56-4398.	Photo chemicals.....	9,886.00	(*)	Contract completed on schedule, Mar. 31, 1956.
Do.....	II-96, Nov. 16, 1955....	Raritan Arsenal, IFB-Ord-28-024-56-31.	Cleaning compound.....	19,198.00	(*)	Contract completed behind schedule, Mar. 31, 1956. Final shipment about 6 weeks late. There was about 1-month delay because concern did not receive bill of lading. There was also a 2-week delay by inspection services.

See footnotes at end of table.

Company, city, and State	COO No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
NEW YORK—continued						
Worthy Chemical Corp., Brooklyn, N.Y.	II-100, Nov. 16, 1955	Raritan Arsenal, IFB-ORD-28-024-56-70.	Cleaning compound.....	\$12,462.00	(*)	Contract completed behind schedule, Apr. 17, 1956. Final delivery about 60 days late. Subcontractor did not furnish containers as promised. There was also inspection delay, and about 1 month delay waiting for bill of lading.
Do.....	II-138, May 1, 1956	Rome AFD, IFB-30-635-56-291.	Photographic developer.....	8,738.00	(*)	Contract completed behind schedule, Aug. 20, 1956. Containers were delayed at subcontractor's plant.
Do.....	II-139, May 8, 1956	Rome AFD, IFB-30-635-56-208.	.....do.....	7,282.00	(*)	Do.
NORTH CAROLINA						
Allen Overall Co., Monroe, N.C.	IV-103, June 12, 1959	Philadelphia Quartermaster Depot, IFB-QM(CTM)-36-243-59-654.	Men's flying overalls.....	439,880.00	(*)	Contract in process.
Young Manufacturing Co., Inc., Norwood, N.C.	IV-68, Feb. 20, 1958	GSA, Washington, IFB-FN-11-11068-A-1-2-58.	Furniture.....	175,995.00	\$6,936	Contract completed behind schedule. Furniture production was diverted to contract issued without COO. Official delivery extension never issued.
OHIO						
Ace Laboratories, Lakewood, Ohio.	VI-74, May 15, 1957	GSSO, IFB-155-(4)-1753-57.	Interior deck paint.....	20,043.00	(*)	Contract completed ahead of schedule, Oct. 8, 1957.
Apco Fabricating Co., Inc., Columbus, Ohio.	VI-82, Feb. 20, 1958	USASSA, Philadelphia, IFB-SC-36-039-58-756-58.	Clutch, plastic-bronze clutch shoe.	10,553.00	788	Contract completed ahead of schedule, July 28, 1958.
The Brown-Brockmeyer Co., Dayton, Ohio.	VI-91 May 8, 1958	Ships Parts Containment Center, Mechanicsburg, IFB-104-335-58.	Motor, ac, ½ horsepower, plus drawings.	19,748.00	-----	Procurement withdrawn Aug. 7, 1958.
Burg Machine Co., Miamisburg, Ohio.	VI-40, Sept. 22, 1954	Olmsted AFB, IFB-36-600-55-1.	Platform assemblies.....	54,644.00	3,520	Contract completed behind schedule, Dec. 30, 1955. SBA supplied financial assistance. Delay caused by heat-treating subcontractor. Delay in receipt of Government bill of lading.
The Busch & Thiem Co., Sandusky, Ohio.	VI-105, Feb. 10, 1959	Post Office Department, Washington, IFB-464.	Steel timecard racks.....	23,898.00	(*)	Contract completed ahead of schedule, May 22, 1959.
Clark Cable Co., Cleveland, Ohio.	VI-92, June 17, 1958	Tinker AFB, IFB-34-601-58-644 (OCPTS).	Cable assembly.....	21,300.00	227	This contract was completed 3 months late, Jan. 14, 1959; 4 months delivery required. The contracting officer did not furnish necessary drawings to permit manufacture and assembly until 3 months after the award. A compensatory 90-day delivery extension was requested, and the company was advised this was turned over to the Judge Advocate General's Office. No further data available to SBA on this action.
The Dickey Manufacturing Co., Oakwood, Ohio.	VI-68, Jan. 17, 1957	Philadelphia Quartermaster Depot, IFB-QM-36-030-57-471.	Blankets, roof section, complete for tent.	19,681.00	642	Contract completed ahead of schedule, Apr. 24, 1958.
Firth Machine & Tool, Inc., Fostoria, Ohio.	VI-56, Apr. 4, 1956	Frankford Arsenal, Philadelphia IFB-ORD-36-038-56-366.	Initiators.....	120,650.00	-----	Contract terminated for default, Feb. 18, 1957, because of excessive rejections in inspection and because subcontractor failed to submit satisfactory components.
Fluid Power Co., Macedonia Summit, Ohio.	VI-51, Oct. 5, 1955	Brookley AFB, IFB-01-601-56-47.	Cylinder valve body.....	36,682.00	(*)	Contract completed behind schedule, Sept. 30, 1956. A usually reliable supplier of brass forgings made errors in tooling causing late delivery.
The Russel R. Gannon Co., Inc., Cincinnati, Ohio.	VI-57, May 21, 1956	Topeka AFD, IFB-14-604-56-666.	Gartridge oxygen purifier...	32,060.00	(*)	Contract completed ahead of schedule, Oct. 5, 1956.
Do.....	VI-93, June 25, 1958	Army Corps of Engineers, Chicago, IFB-DA-ENG-11-184-58-CF-557.	Dehumidifier, dry desiccant type, plus spare parts and parts kit.	774,727.00	(*)	Contract completed behind schedule, Mar. 26, 1959. Schedule 6 months, delivery in 9 months. The contracting agency rejected prototype, necessitating redesign. The company expected a delivery extension because of this. It was not granted. The company also lost time due to floods shutting down the plant.
The Hickok Electrical Instrument Co., Cleveland, Ohio.	VI-69, Feb. 6, 1957	Dayton AFD, IFB-33-604-57-151.	Portable ammeters.....	14,656.00	(*)	Contract completed ahead of schedule, Aug. 29, 1957.
Highway Products, Inc., Kent, Ohio	VI-94, June 24, 1958	GSA, Washington, IFB-FN-3G-9933-A-4-15-58.	3-wheel, gasoline driven, mail-delivery, ¼-ton vehicle.	(*)	-----	July 15, 1958, decision made that Highway was not low bidder and that Eshelman Motors Corp. was the low bidder on part of procurement.
Kapac Co., Columbus, Ohio.	VI-62, Oct. 17, 1956	Robins AFB, RFP-MPC-57-36-Q.	Repair of equipment.....	11,837.00	(*)	Contract completed behind schedule, Sept. 4, 1958. Contract was delayed because of inability to receive approval of repairs, inability to receive permission to purchase repair parts, instructions to ship only in carload lots, and awaiting administrative decisions by contracting agency. Some laxity on the part of the company was alleged. The contract was completed about 17 months after scheduled completion.

See footnotes at end of table.

Company, city, and State	COO No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
OHIO—continued						
Kamen Soap Products Co., Inc., Barberton, Ohio.	VI-58, June 12, 1956...	Philadelphia Quartermaster Depot, IFB-QM-36-030-56-699.	Laundry soap.....	\$123,149.00	(*)	Contract completed behind schedule, Apr. 15, 1957. Final shipment about 6 months late. A boiler failure, difficulty with tallow suppliers and financial troubles all contributed to the delay.
Lion Uniform, Inc., Dayton, Ohio.	VI-34, Mar. 26, 1954...	Dayton AFD, IFB-33-602-54-37.	Coveralls for flying suits....	412,526.00	-----	COC canceled May 13, 1954. Contracting agency would not allow progress payments.
Mercer Metal Corp., Celina, Ohio.	VI-30, Dec. 2, 1953....	W-PAFB, IFB-33-600-54-2.	Adapter assemblies.....	116,830.00	\$31,290	Contract completed ahead of schedule, Nov. 7, 1955.
Perry Rubber Co., Massillon, Ohio.	VI-43, Jan. 13, 1955....	Armed Services, Medical Procurement Agency, Brooklyn, IFB-MPA-30-287-MD55-228.	Rubber gloves.....	48,294.00	(*)	Contract completed behind schedule, Aug. 17, 1955. Final shipment about 3 months late. About 60 days were lost awaiting procuring service approval.
Platt Manufacturing Co., Dayton, Ohio.	VI-83, Mar. 5, 1958....	USN Airbase, Philadelphia, IFB 156-68-58.	Stanchion assembly, flush deck type and winch assembly.	61,917.00	18,582	Contract completed ahead of schedule, Dec. 29, 1958.
Starck Van Lines of Columbus, Inc., Columbus, Ohio.	VI-78, Sept. 17, 1957...	Lockbourne AFB, IFB 33-617-57-31.	Packaging and crating household goods and personal effects.	127,965.00	-----	Procurement was withdrawn by the contracting agency after the COC was issued.
Typo Machine Co., Cleveland, Ohio.	VI-35, May 13, 1954....	Shelby AFD, RFP-33-602-54-3048.	Bomb handling slings.....	101,143.00	-----	Contract terminated by default, Oct. 15, 1954. A \$25,000 SBA loan was approved for this company. It was never disbursed because it was subsequently learned that the applicant withheld certain information. As a result, the firm was unable to produce the prototype due to lack of funds. The case was presented to the Armed Forces Board of Contract Appeals in June 1956.
OKLAHOMA						
Allan Edwards Manufacturing Co., Inc., Tulsa, Okla.	X-52, May 23, 1958....	Tinker AFB, IFB-34-601-58-444 (PLS).	Call type contract, to modify, repair, and service fire extinguishers.	14,363.00	2,294	Contract completed, call type contract.
Mid-States Manufacturing Co., Inc., Oklahoma City, Okla.	X-37, June 28, 1957....	Memphis AFD, RFP-40-604-57-1317.	Overhaul, repairs and modification of class 52E equipment.	19,425.00	(*)	Contract completed ahead of schedule, June 12, 1958.
Do.....	X-71, Dec. 11, 1958....	Robins AFB, Ga., RFP-PR-WR-9-MAINT-54, 55, 56.	Service to restore to serviceable condition miscellaneous AF maintenance equipment.	54,916.00	(*)	Contract in process.
Midwest Engineering & Construction Co., Tulsa, Okla.	X-43, Feb. 19, 1958....	Army Engineer Procurement Office, Chicago, IFB-ENG-11-184-58-D-193.	Metal buildings.....	1,126,500.00	(*)	Do.
Do.....	X-48, Apr. 18, 1958....	Army Engineer Procurement Office, Chicago, IFB-DA-ENG-11-184-58-F-196.	30-kilowatt Diesel engine driven portable skid mounted generator sets.	1,318,084.00	(*)	Contract terminated for default, Apr. 24, 1959.
OREGON						
B. & M. Welding Co., Portland, Ore.	XIII-7, June 22, 1959...	GSA, Seattle, IFB-SES-1491.	Restoration of engine castings by fusion. Term contract through Mar. 1, 1960.	110,000.00	(*)	Contract not yet awarded.
PENNSYLVANIA						
Acme Coppersmithing & Machine Co., Oreland, Pa.	III-2, Jan. 8, 1954....	Dayton AFD, RFP-33-604-53-1413.	Fuel meter calibrating tanks.	442,696.00	40,231	Contract completed ahead of schedule, Sept. 1, 1955.
Action Manufacturing Co., Philadelphia, Pa.	III-16, Sept. 23, 1955...	Army OTAC, Detroit, IFB-ORD-20-113-55-1414.	Pump, gunner control.....	77,262.00	-----	Procurement withdrawn Nov. 4, 1955.
Do.....	III-194, May 7, 1959....	Olmsted AFB, RFP-36-600-59-5229.	Repair and overhaul aircraft instruments.	21,282.00	(*)	Contract in process.
Aero-Fab Corp., Philadelphia, Pa.	III-29, Mar. 20, 1956...	Philadelphia QMD, IFB-QM-36-030-56-338.	Men's cotton trousers.....	334,282.00	(*)	Contract completed behind schedule, Mar. 28, 1957. Delivery was to be extended 45 days by the contracting officer due to delay on his part in supplying correct data on sizes required. The schedule adjustment had not been made upon completion of the contract, 2 months late.
Do.....	III-41, June 27, 1956...	Philadelphia QMD, IFB-QM-36-030-56-667.	Cotton utility caps.....	50,749.00	(*)	Contract completed behind schedule, June 18, 1957. Completed 8 months late. Inspection by procuring service and Government administrative delays absorbed 6 months of this time.
Do.....	III-42, June 27, 1956...	Philadelphia QMD, IFB-QM-36-030-56-640.	do.....	83,384.00	(*)	Contract completed behind schedule, Jan. 10, 1957. Two months late on 5-month schedule. Delays in production arose because of communication problems between top management at Philadelphia and the plant at Olive Hill.
Do.....	III-56, Nov. 16, 1956...	Philadelphia QMD, IFB-QM-36-030-57-128.	Trousers.....	318,000.00	(*)	Contract completed ahead of schedule, June 6, 1957.
Aircraft Products Co., Bridgeport, Pa.	III-96, Apr. 15, 1957...	Dayton AFD, IFB-33-604-57-318.	Pitot static test sets.....	96,768.00	(*)	Contract completed ahead of schedule, Feb. 28, 1958.
Airdesign Corp., Upper Darby, Pa.	III-190, Apr. 8, 1959....	USASSA, Philadelphia, IFB-SC-36-039-59-1100-C2.	Charger, battery, plus technical data.	180,694.00	(*)	Contract in process.
Do.....	III-200, June 19, 1959...	USASSA, Philadelphia, IFB-36-039-59-1100-C2.	Battery charger.....	228,940.00	(*)	Do.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
PENNSYLVANIA—continued						
American Industrial Devices, Harrisburg, Pa.	III-143, Mar. 26, 1958...	Army OTAC, Detroit, IFB-ORD-20-113-58-272.	Cable assemblies.....	\$29,940.00	\$9,980	Contract completed behind schedule, June 17, 1959. Final shipment about 9 months late. Company encountered financial trouble. An SBA loan assisted the company to complete.
Avionics Corp., Horsham, Pa.	III-199, June 24, 1959...	USASSA, Philadelphia, IFB-SC-36-039-59-1848-A4.	Interphone controls, plus technical data.	130,892.00	-----	Contract not yet awarded.
Bayard Electronics Co., Inc., Philadelphia, Pa.	III-8, Oct. 15, 1953....	Army OTAC, Detroit, IFB-ORD-20-113-54-101.	Vehicle, interconnecting cables.	82,236.00	2,866	Contract completed ahead of schedule, July 19, 1954.
Bellair Metal Products Corp., Kingston, Pa.	III-92, Apr. 5, 1957....	GSSO, Philadelphia, IFB-155-(3)-1526-57.	Cabinets and drawers, aluminum.	138,343.00	6,608	Contract completed on schedule, Dec. 11, 1957.
Do.....	III-100, May 16, 1957...	GSSO, Philadelphia, IFB-155-(3)-1327-57.	Folding cots.....	11,326.00	1,672	Contract completed behind schedule, Nov. 19, 1957. An epidemic of flu curtailed production. Completed 11 days behind schedule.
Bright Sign Co., Philadelphia, Pa.	III-170, Dec. 12, 1958...	Army General Depot, Schenectady, IFB-QM-30-127-59-63.	Stencil marking, packages with paper adhesive backing.	11,100.00	(*)	Contract completed ahead of schedule, Mar. 9, 1959.
Burke Manufacturing Co., Southampton, Pa.	III-15, Aug. 25, 1955...	Ships Parts Containment Center, Mechanicsburg, IFB-104-256-55.	Vegetable cutters and dicers.	60,945.00	(*)	Contract terminated by default, Feb. 21, 1957. Initial delay experienced in obtaining approval of design and engineering drawings. Aluminum castings supplier then had a strike. Navy requested modifications on the 1st units built to Navy-approved drawings. Finish problems developed, and the Navy finally terminated the contract for default.
Joseph J. Campalong trading as JBC Co., Madera, Pa.	III-134, Nov. 26, 1957...	Philadelphia Quartermaster Depot, IFB-QM(OTM)-36-243-58-109.	Wool men's trousers.....	355,653.00	(*)	Contract completed on schedule, Sept. 30, 1958.
Canoe Underwear Co., Pine Grove, Pa.	III-112, June 27, 1957...	Philadelphia Quartermaster Depot, IFB-QM(OTM)-36-243-57-40.	Men's cotton drawers.....	62,167.00	(*)	Contract completed behind schedule, Feb. 7, 1958. Delivered 5 weeks late on 6 months delivery requirement. Initial production of 34,410 units was ready on schedule, but held up awaiting contracting agency approval of thread, grippers, and other components. An additional delay of a week or so occurred when 65 percent of company's employees were out in flu epidemic. Contract in process.
Cooper Electronics, Inc., Philadelphia, Pa.	III-99, May 15, 1957...	USASSA, Philadelphia, IFB-SC-36-039-57-1976-56.	Audio level output meters...	86,890.00	(*)	Do.
Craftsman Business Forms, Inc., Pittsburgh, Pa.	III-176, Jan. 15, 1959...	GSA, New York, IFB-FN6N-B-4675-A-11-25-58.	Manifold carbon paper sets...	197,826.00	(*)	Do.
Crown Manufacturing Co., Philadelphia, Pa.	III-3, Mar. 9, 1954.....	Watervliet Arsenal, IFB-ORD-30-144-54-30.	Pullover gage kits.....	52,255.00	4,210	Contract completed behind schedule, Dec. 31, 1955. Delayed due to rejection of parts manufactured by subcontractor, and because final shipment did not pass inspection.
Do.....	III-5, Dec. 7, 1954.....	Frankford Arsenal, IFB-ORD-36-038-55-110.	Contact rings.....	7,102.00	106	Contract completed behind schedule, May 7, 1956. Defective Government-furnished tooling and delay in acceptance by Government contributed to a final delivery 8 months late.
Decker Aviation Corp., Philadelphia, Pa.	III-113, June 27, 1957...	Olmsted AFB, Middletown, RFP-36-600-57-5248.	Automatic flight controls system components.	27,538.00	(*)	Contract completed on schedule, Apr. 3, 1958.
The Decker Corp., Philadelphia, Pa.	III-139, Feb. 5, 1958...	Olmsted AFB, Middletown, RFP-36-600-58-5084.	Services and materials to repair components of MA-4 auto pilots.	9,090.00	(*)	Contract completed on schedule, Feb. 4, 1959.
Drexel Engineering Co., Philadelphia, Pa.	III-162, Aug. 14, 1958...	Memphis AFD, RFP-40-604-58-597.	Service and materials necessary to overhaul, repair, and modify equipment.	144,709.00	-----	Procurement withdrawn Oct. 14, 1958.
Electronics of Clearfield, Division of Progressive Publishing Co., Clearfield, Pa.	III-108, June 10, 1957...	BuShips, IFB-600-1048-57-S.	Antenna coupler.....	133,535.00	(*)	Contract in process.
Do.....	III-151, June 17, 1958...	Redstone Arsenal, Huntsville, Ala., RFP-DA-01-021-RSA-IDP-A-58-2.	Design, development, and production of proved electronic multimeter.	98,113.00	51,314	Do.
Do.....	III-160, June 27, 1958...	USASSA, Philadelphia, IFB-SC-36-039-58-2408-A-3.	Radio frequency wattmeter tests sets TS-118 (1)AP, plus technical data.	101,276.00	(*)	Do.
Emeco Corp., Hanover, Pa.	III-24, Feb. 20, 1956...	NPO, Washington, IFB-600-566-56.	Aerological display equipment.	119,030.00	(*)	Contract completed behind schedule, Sept. 16, 1957. Several related items required individual inspection. Delay in a few caused late completion.
Do.....	III-31, Mar. 29, 1956...	BuOrd, Washington, IFB-600-845-56-0.	Cavity liners.....	45,500.00	2,100	Contract terminated for default. Delays in tooling caused contract to fall far behind schedule and production never reached acceptable level.
Do.....	III-136, Dec. 17, 1957...	NPO, Washington, IFB-600-435-58.	Production of various types of aerological display equipment.	180,027.00	17,995	Contract awarded others Mar. 6, 1958. COC invalidated when undisclosed financial liability to the Government became known. SBA cooperated with the Navy in this case.

See footnotes at end of table.

CV—957

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
PENNSYLVANIA—continued						
Estrich & Co., Philadelphia, Pa.	III-168, Dec. 11, 1958...	Naval Air Material Center Philadelphia IFB-156-042-59.	Seal, cylinder gap.....	\$5,703.00	(*)	Contract in process.
Do.....	III-172, Dec. 11, 1958...	Naval Air Material Center Philadelphia IFB-156-049-59.	Nut flange bolt.....	3,200.00	(*)	Contract completed behind schedule, May 21, 1959. Final delivery about 3 weeks late because of unexpected rejections.
Do.....	III-173, Dec. 11, 1958...	Naval Air Material Center Philadelphia RFP-156-20180-59.	Lower coupling exhaust valve.	1,229.00	(*)	Contract completed behind schedule. Machining error required correction and delayed final delivery.
Do.....	III-174, Dec. 11, 1958...	Naval Air Material Center, Philadelphia, RFP-156-20251-59.	Machined castings plus 1 set pattern equipment.	1,428.00	(*)	Contract completed behind schedule, May 1, 1959. Delivery was delayed by a request of the contracting officer. New shipping instructions were issued, but the contract completion date was not corrected by amendment.
Fleetwood-Airflow, Inc., Wilkes-Barre, Pa.	III-148, June 3, 1958...	Army Quartermaster Purchasing Agency, IFB-QM-33-031-58-618.	Steel clothing lockers.....	317,446.00		Contract terminated by default, Mar. 3, 1959. Company encountered initial difficulties with the finishing materials furnished by a reputable manufacturer. Banks withdrew support and the contract was defaulted for nondeliveries.
Do.....	III-158, June 24, 1958...	Army Quartermaster Purchasing Agency, Columbus, IFB-QM-33-031-58-618.	do.....	317,446.00		Contract was terminated by default, Mar. 3, 1959. See remarks COC-III-148. This was a concurrent contract for the same item, covering the set-aside portion for surplus labor areas.
Fort Pitt Packaging International, Inc., Pittsburgh, Pa.	III-76, Jan. 2, 1957....	Memphis AFD, RFP-40-604-57-1067.	Repair, overhaul, winterize, etc., of vehicles.	191,777.00	(*)	Contract completed on schedule, July 31, 1958.
Franklin Smelting & Refining Co., Philadelphia, Pa.	III-171, Dec. 30, 1958...	Philadelphia Naval Shipyard, IFB-151-123-59.	Blasting grit.....	137,650.00		Procurement withdrawn June 15, 1959.
General Design, Inc., Philadelphia, Pa.	III-32, Apr. 6, 1956....	Raritan Arsenal, Metuchen, N.J., RFP-56-39122 & 56-39124-1(a).	Technical manuals.....	9,384.00	(*)	Contract completed on schedule, May 23, 1957.
Hol-Gar Manufacturing Corp., Clifton Heights, Pa.	III-138, Jan. 7, 1958...	WPAFB, IFB-33-600-58-44.	Generator sets, plus spare parts and technical data.	428,400.00	(*)	Contract in process.
Hunter-Bristol Corp., Bristol, Pa.	III-122, Aug. 21, 1957...	NPO, Washington, IFB-600-1913-57.	Radio receivers.....	143,418.00		SBA withdrew COC Sept. 4, 1957, due to adverse financial status of certified firm. Certificate canceled, Oct. 1, 1956.
Ideal Manufacturing Co., York, Pa.	III-44, July 26, 1956...	Army OTAC, Detroit, IFB-ORD-20-113-56-1298.	Cushions.....	4,685.00	(*)	
Do.....	III-49, Sept. 12, 1956...	Army OTAC, Detroit, IFB-ORD-20-113-56-1546(57).	do.....	11,890.00	(*)	Contract completed behind schedule, June 25, 1957. Final shipment about 1 month late. Delay in obtaining rubber stock, possibly caused by financial difficulties.
Do.....	III-140, Feb. 6, 1958...	Army OTAC, Detroit, IFB-ORD-20-113-58-191.	Pads, crash, driven, door hatch, front pads.	2,555.00	(*)	Contract completed ahead of schedule, May 26, 1958.
Jowil Electronics, Inc., Philadelphia, Pa.	III-106, June 13, 1957...	USASSA, Philadelphia, IFB-SC-36-039-57-2129-55.	Interphone controls.....	264,393.00	\$6,177	Contract completed ahead of schedule, July 31, 1958.
Kane Manufacturing Corp., Kane, Pa.	III-12, June 15, 1955...	USASSA, Philadelphia, IFB-36-039-55-1649-58.	Cabinets.....	342,793.00	(*)	Contract completed behind schedule, Apr. 30, 1956. Final shipment was 60 days late. Firm waited approximately this time for procuring service to initiate inspection of 1st article.
Kegelman Bros., Hunting-ton Valley, Pa.	III-185, Mar. 20, 1959...	Army Ordnance Missile Command, Huntsville, IFB-IDP-X-ORD-01-021-59-10217.	Drive potentiometer.....	14,339.00	(*)	Contract in process.
Lockley Machine Co., New Castle, Pa.	III-144, Apr. 16, 1958...	Kelly AFB, San Antonio, IFB-41-608-58-94.	Bombs, practice profile-type MD-6, plus spare parts.	2,657,929.00	(*)	Do.
Lucifer Furnaces, Inc., Neshaminy, Pa.	III-50, Sept. 24, 1956...	Robins AFB, Ga., IFB-09-603-56-505.	Heat treating, electric furnace.	68,000.00	2,380	Contract completed behind schedule, July 26, 1957. Changes requested by the contracting agency in packing and in instruction manuals halted production until clarification was obtained. No compensation was made in official schedule to cover the lost time.
Nuclear-Electronics Corp., Philadelphia, Pa.	III-35, Apr. 13, 1956...	USASSA, Philadelphia, RFP-SC-36-039-56-10896-55.	Power supply.....	51,857.00	(*)	Contract completed behind schedule, Apr. 30, 1958. Contract was 4 months late on a total schedule of 20 months. Strikes in supplier's plants and failure of a transformer manufacturer to meet his commitments delayed performances.
J. A. Plasterer & Son, High-spire, Pa.	III-8, May 6, 1955.....	Olmsted AFB, Middletown, RFP-36-600-55-5185.	Repair of air compressors....	7,615.00	183	Contract completed behind schedule, Mar. 29, 1956. Final delivery made 5 months late. Delay was encountered with subcontractors and inspection by procuring service. Contractor claimed that inspectors made demands in excess of specification.
The Siltronic Co., Pittsburgh, Pa.	III-164, Aug. 25, 1958...	USASSA, Philadelphia, RFP-SC-36-039-59-10502-A2.	Switch boxes.....	44,038.00	(*)	Contract completed on schedule, Oct. 31, 1958.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
PENNSYLVANIA—continued						
Universal Electronic Laboratory Corp., Wyoming, Pa.	III-177, Jan. 26, 1959...	USASSA, Philadelphia, IFB-SC-36-039-59-1818-A4.	Discriminator.....	\$18,772.00	(*)	Contract in process.
George Voron & Co., Philadelphia, Pa.	III-110, June 12, 1957...	USASSA, Philadelphia, IFB-36-039-57-2141-55.	Shelters, S-44()/G.....	86,656.00	(*)	Contract completed behind schedule, June 1, 1959. Certain wood components were delayed at a subcontractor causing the final shipment to be 60 days late.
PUERTO RICO						
Antonio Santisteban & Co., Inc., Hato Rey, P.R.	V-52, Jan. 25, 1957.....	Philadelphia Quartermaster Depot, IFB-36-030-57-416.	Men's cotton drawers.....	137,341.00	(*)	Contract completed ahead of schedule, Aug. 13, 1957.
Commonwealth Furniture Corp., Hato Rey, P.R.	V-97, Oct. 27, 1958.....	Ramey Air Force Base, IFB-66-600-59-14.	Furniture.....	348,561.00	\$83,310	Contract in process.
SOUTH CAROLINA						
A.A.A. Janitor Service Co., Columbia, S.C.	IV-86, Oct. 27, 1958.....	Fort Jackson, IFB-FJPUR-38-042-59-12.	Janitorial services.....	20,567.00	14,368	Contract in process.
TENNESSEE						
Dura Finish of Memphis, Division of Arrow Office Supply Co., Memphis, Tenn.	V-104, Feb. 9, 1959.....	Memphis General Depot, IFB-QM-40-110-59-28.	Services and materials to restore field safes to serviceable condition.	64,763.00	(*)	Contract completed on schedule, May 29, 1959.
Patterson Lift Truck Co., (Olive Plan Branch, Miss.), Memphis, Tenn.	V-70, Dec. 11, 1957.....	NPO, Washington, D.C., IFB-600-414-58.	Hardwood pallets.....	21,600.00	540	Contract completed on schedule, May 6, 1958.
Precision Tool Co., Inc., Memphis, Tenn.	V-36, June 22, 1956.....	Memphis AFD, RFP-40-604-56-14505.	Repair and overhaul of gasoline engines.	11,337.00	(*)	Contract completed ahead of schedule, Oct. 22, 1956.
Tennessee Glove Co., Inc., Tullahoma, Tenn.	V-95, Oct. 6, 1958.....	MCTSA, IFB-QM (CTM)-36-243-59-105.	Cotton drill cloth mattress covers.	219,154.00	(*)	Contract completed on schedule, Apr. 15, 1959.
Tennessee Overall Co., Tullahoma, Tenn.	V-112, Apr. 24, 1959.....	Philadelphia QM Depot, IFB-QM (CTM)-36-243-59-500.	Men's cotton, uniform twill uniform trousers.	415,213.00	(*)	Contract in process.
TEXAS						
Alamo Automotive Service, San Antonio, Tex.	X-10, July 19, 1955.....	Kelly AFB, RFP-PR-50-56-LP-110001.	Repair and maintenance of vehicles.	100,000.00	(*)	Contract completed on schedule, Aug. 31, 1956.
Do.....	X-21, July 12, 1956.....	Kelly AFB, RFP-50-56-LP-110226.	do.....	220,000.00	30,000	Contract completed on schedule, Aug. 31, 1957.
Do.....	X-59, July 1, 1958.....	San Antonio Air Material Area, RFP-50-58-LP-78-001.	Services and materials for repairs and maintenance of Government general purpose vehicles.	268,000.00	(*)	Call-type contract, now in process.
Aeroaffiliates, Inc., Fort Worth, Tex.	X-13, Jan. 13, 1956.....	Shelby AFD, RFP-PR-#WL-547716.	Bomb hoist tube sets.....	1,213,512.00	(*)	Contract completed on schedule, Dec. 9, 1958.
Aero-Test Equipment Co., Inc., Dallas, Tex.	X-56, June 16, 1958.....	Air Force Academy, Denver, IFB-05-611-58-78.	Instrument control panels for test calls and thrust stands.	149,868.00	(*)	Contract completed ahead of schedule, Apr. 2, 1959.
Do.....	X-64, Aug. 21, 1958.....	Brookley AFB, IFB-01-601-58-335.	Fuel control assembly.....	35,829.00	6,406	Contract completed ahead of schedule, Apr. 15, 1959.
The Cal-Tex Co. of Tyler, Tyler, Tex.	X-44, Feb. 28, 1958.....	MCTSA, Philadelphia, IFB-QM-(CTM)-36-243-58-424.	Paulin vestibule top for tent and paulin wood arch for tent.	3,388.00	(*)	Contract completed ahead of schedule, May 14, 1958.
Do.....	X-45, Apr. 23, 1958.....	MCTSA, Philadelphia, IFB-QM-(CTM)-36-243-58-462.	Pyramidal, 3 to 4 man type tent with pins and poles.	100,161.00	236	Contract completed on schedule, Dec. 13, 1958.
Do.....	X-50, Apr. 30, 1958.....	MCTSA, Philadelphia, IFB-QM-(CTM)-36-243-58-544.	Insulated sectional frame-type guy band complete for tent.	73,472.00	10,978	Contract completed ahead of schedule, Sept. 9, 1958.
The Cal-Tex Co. of Tyler, Tyler, Tex.	X-70, Oct. 28, 1958.....	MCTSA, Philadelphia, IFB-QM-(CTM)-36-243-59-152.	Canvas cover for engine compartments of high speed tractors.	9,779.00	376	Contract completed behind schedule, Apr. 30, 1959. Contractor delayed in starting production because duck cloth furnished by the Government did not meet specifications. Further delays were encountered when the inspector, by letter, ordered resewing a seam. This weakened the cloth, causing more delays in acceptance. Result was the canvas covers were delivered in 6 months rather than in 4 months.
Do.....	X-73, Jan. 22, 1959.....	Philadelphia Quartermaster Depot, IFB-QM-(CTM)-36-243-59-426.	Canvas covers.....	91,737.00	(*)	Contract in process.
Castle Hauling Service, Borham, Tex.	X-53, June 5, 1958.....	Perrin AFB, IFB-41-610-58-20.	Collection and disposal of refuse (July 1, 1958, through June 30, 1959).	14,400.00	343	Contract completed on schedule, June 30, 1959.
Dunlap Sales & Service, Abilene, Tex.	X-38, July 12, 1957.....	Topeka AFD, RFP-14-604-57-5765.	Repair and overhaul of class 17A equipment.	100,000.00	(*)	Contract completed on schedule, Aug. 18, 1958.
Immel Engineering & Development Co., Dallas, Tex.	X-77, Mar. 6, 1959.....	Army Ordnance Corps, Texarkana, IFB-ORD-41-117-59-133-B.	Rebuild track shoe link assembly.	1,254,000.00	(*)	Contract in process.
International Aerial Mapping Co., San Antonio, Tex.	X-90, June 10, 1959.....	Army Map Service, Washington, D.C., IFB-ENG-49-018-59-66.	Finalization of color separation manuscript and preparation of full drawings and reproduction negatives of maps.	16,051.00	(*)	Do.
Lewis Motor Co., Marshall, Tex.	X-40, Nov. 29, 1957.....	Shelby AFD, RFP-33-602-58-3014.	Repair and modification of oxygen trailers and miscellaneous related equipment.	84,128.00	(*)	Contract completed on schedule, Mar. 24, 1959.
McCann Construction Co., Fort Worth, Tex.	X-86, May 13, 1959.....	Sandia AFB, IFB-S-29-044-59-51.	Modification and repair of housing units.	2,007,689.00	148,562	Contract awarded company before COC issued.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
TEXAS—continued						
Mid-State Construction Co., Dallas, Tex.	X-78, Mar. 2, 1959.....	Missile Range, N. Mex., IFB-ORD-29-040-59-67.	Labor, equipment, and materials to construct telephone cable plant.	1 \$237,151.00	-----	Contract awarded another company Apr. 16, 1959. SBA found the applicant technically competent. The contracting agency disregarded the certification. The company appealed to the Comptroller General, who declared that the COC was conclusive as to technical capacity and that the contracting agency must justify a turndown for other reasons. (See Comp. Gen. Dec. B-139377, June 30, 1959.)
Photographic Manufacturing Co., Houston, Tex.	X-9, July 13, 1955.....	Kelly AFB, RFP-PR-SA-546016.	Magnetos.....	5,653.00	(*)	Contract completed on schedule, Sept. 30, 1956.
Sidran Sportswear, Dallas, Tex.	X-17, Jan. 13, 1956.....	Army Quartermaster Depot, Philadelphia, RFP-QM-36-030-56-Neg-140.	Men's cotton trousers.....	68,052.00	(*)	Contract completed on schedule, July 7, 1956.
Southwest Aviation & Exploration Corp., Lockhart, Tex.	X-27, Jan. 25, 1957.....	Kelly AFB, RFP-PR-19A-57-LP-130068.	Repair of hydraulic hand jacks.	1,067.00	-----	Company did not extend bid option. Awarded another company.
A. E. Stevenson Waste Disposal Co., Weatherford, Tex.	X-87, May 19, 1959.....	Perrin AFB, IFB-41-610-59-30.	Collection of refuse for 12 months.	11,900.00	(*)	Contract in process.
Terry Industries, Inc., San Antonio, Tex.	X-41, Dec. 24, 1957.....	Kelly AFB, IFB-41-608-58-35.	Chrome plating of aircraft engine cylinders.	322,820.00	\$31,663	Contract completed behind schedule, Jan. 23, 1959. Additional labor, for which no provision was made, caused contract delay.
Do.....	X-66, Sept. 22, 1958.....	Kelly AFB, IFB-41-608-58-240.	---do.....	1 220,430.00	-----	Contract awarded another company, Oct. 24, 1958. After issuance of the COC, the contracting officer rejected this company for bad business practices, which was not within the scope of the SBA certification.
Dave Williams & Sons, Inc., Dallas, Tex.	X-92, June 29, 1959.....	Office of Quartermaster General, Washington, D.C., IFB-QM-49-056-59-3.	Flat granite grave markers....	1 118,080.00	(*)	Contract in process.
UTAH						
Service Theatre Supply, Salt Lake City, Utah.	XI-9, Mar. 6, 1958.....	Brookley AFB, IFB-01-601-58-200.	Services and supplies to repair viewfinder, model VF-36.	5,850.00	(*)	Contract completed on schedule, May 23, 1958.
VIRGINIA						
Air-A-Plane Corp., Norfolk.	IV-10, June 24, 1954.....	Army Chemical Procurement District, New York, IFB-CML-30-070-54-175.	Smoke generators.....	591,545.00	80,932	Contract completed on schedule, Feb. 29, 1956.
Carter Aviation, Richmond.	IV-55, July 26, 1957.....	Army Transportation Corps, St. Louis, Mo., RFP-193-B.	IRAN maintenance of Army aircraft.	92,020.00	46,256	Contract completed ahead of schedule, June 23, 1958.
Consultants & Designers, Inc., Arlington, Va.	IV-65, Dec. 13, 1957.....	BuShips, Washington, D.C., IFB-600-182-58-S.	Supplies and services in connection with revisions to damage control diagram plastics and reproduction of positives, negatives, and color guides through September 1958.	85,000.00	34,000	Contract completed ahead of schedule.
Jeffries Rubber Stamp Co., Inc., Arlington, Va.	IV-89, Nov. 17, 1958.....	GSA, Washington, D.C., FSC-FSC, Group 75, Office Supplies, Part IV.	Office supplies, 12 month contract, rubber stamps, type III and repair parts.	52,000.00	(*)	Contract in process.
Kraftwood, Inc., Richmond, Va.	IV-95, Mar. 19, 1959.....	Post Office Department, Washington, D.C., IFB-1987.	Single lobby desk, wood, 4 feet long and single lobby desk, wood, 3 feet long.	43,500.00	(*)	Do.
Rapidan Manufacturing Co., Inc., Gordonsville, Va.	IV-72, Apr. 11, 1958.....	NPO, Washington, D.C., IFB-600-938-58.	Steel shipfitters toolbox.....	12,180.00	32	Company had difficulty in producing toolboxes that could meet a water submersion test. Delivery was about 1 month late on revised schedule.
Do.....	IV-82, June 30, 1958.....	Navy Electrical Supply Office, Great Lakes, IFB-126-423-58.	Blank aluminum panels.....	11,084.00	2,049	Final shipment 1 month late. Management changed hands and 1 subcontractor contributed to the delay.
WASHINGTON						
Henry L. Doolittle Co., Seattle, Wash.	XIII-1, Dec. 30, 1954.....	Army Transportation Corps, DA-45-145-860-TS4; DA-45-045-861-TS5; and DA-45-045-863-TS7.	Stevedoring.....	31,436.00	446	Term contract completed satisfactorily.
WEST VIRGINIA						
The Advance Machine & Manufacturing Co., Beckley, W. Va.	IV-12, Oct. 8, 1954.....	W-P AFB.....	Splicer and rewinder for film.	29,105.00	(*)	First article was approved but company ran into financial trouble even with SBA loan. Contract was terminated for default.
Carol Electronics Corp., Martinsburg, W. Va.	IV-16, Mar. 31, 1955.....	USASSA, Philadelphia, IFB-SC-36-039-55-1272-59.	Vibrators.....	483,158.00	3,917	Delay by metal case and electron tube suppliers resulted in 2-month completion delay.
Do.....	IV-18, June 7, 1955.....	USASSA, Philadelphia, IFB-SC-36-039-55-1444-55.	Rectifiers.....	106,326.00	(*)	There was administrative delay by the inspecting service causing a 3-month delivery delay. However, the procuring service of its own volition increased the quantity purchased after the COC was issued.
Do.....	IV-20, June 14, 1955.....	USASSA, Philadelphia, IFB-SC-36-039-55-1631-58.	Transformers.....	14,343.00	(*)	Accidents and personnel changes in the transformer department resulted in a 2-month delay of final shipment.

See footnotes at end of table.

Company, city, and State	COC No., date certified	Procurement agency and procurement No.	Item	Contract amount	Savings	Remarks
WEST VIRGINIA—continued						
Polan Industries, Inc., Huntington, W. Va.	IV-26, June 25, 1956...	USASSA, Philadelphia, RFP-SC-36-039-56-11326.	Infrared filters.....	\$53,279.00	(*)	Contract completed on schedule.
Do.....	IV-32, Nov. 8, 1956....	USASSA, Philadelphia, RFP-SC-36-039-57-10500.	Rehabilitation of equipment.	326,417.00	\$93,977	Completed ahead of schedule, Oct. 7, 1957. COC canceled July 15, 1954.
Standard Business Machine Manufacturing Corp., Kenova, W. Va.	IV-9, June 29, 1954....	Rome AFD, RFP-30-635- 54-4026.	Sound recorder-reproducer...	476,152.00	(*)	
Universal Machining & Manufacturing Co., Huntington, W. Va.	IV-11, July 22, 1954....	Army Ordnance Corps, Springfield, IFB-ORD- 19-058-54-130.	Grenade launchers.....	34,875.00	15,750	Company was unable to produce acceptable first articles and suffered financial difficulty. Contract terminated by de- fault.
WISCONSIN						
Badger Leather Products Co., Inc., Shawano, Wis.	VII-64, Feb. 19, 1958...	MCTSA, Philadelphia, IFB-QM-(CTM)-36-243- 58-359.	Brown leather brief cases....	2,895.00	(*)	Contract completed behind sched- ule, July 3, 1958. Delivery was delayed by inspector call- ing at plant at irregular inter- vals.
Slater Bros. Auction Co., Eau Claire, Wis.	VIII-3, July 31, 1957...	McClellan AFB, IFB-04- 606-57-776.	Auctioneering services.....	4,000.00	-----	Contract issued independently of COC on same day.
The Superior Welding Co., Milwaukee, Wis.	VII-72, June 20, 1958...	U.S. Army Transport Sup- ply and Maintenance Communication, St. Louis, IFB-TC-23-204-58-88.	56½-inch gage, 70-ton, 8- wheel domestic service steel railway hopper car.	215,300.00	(*)	Contract in process.
HAWAII						
Melin Service & Supply Co., Ltd., Honolulu, T.H.	XII-33, Aug. 5, 1958....	Hill AFB, Utah, RFP-00- 9-2620-2100.	Repair, recapping and re- treading of aircraft casings.	225,000.00	(*)	Do.

* Bid amount.

* Estimated minimum.

* Maximum.

* Estimates.

* Not to exceed.

* Approximately.

Mr. SPARKMAN. The important thing to keep in mind with respect to these small business certificates of competency is that in each of the 553 contracts cited, military contracting officials said the small firms could not perform the contracts and the Small Business Administration, after diligent investigation, found and certified that they could perform. Had this not been done by the small business agency, the cumulative out-of-pocket cost to the taxpayers would have amounted to \$8,200,000.

In some areas of military procurement, Mr. President, there seems to be a sort of cold war going on between the Department of Defense and the Small Business Administration. At stake in the matter of a more sensible procurement practice is the success or failure of thousands of small business concerns to participate in military purchasing programs, the further feeding of the fires of inflation, and a further unbalancing of the budget. It has been demonstrated time and time again that competitive bids from qualified small business concerns have the effect of reducing the cost of military supplies and services compared with the prices which the Defense Department pays when the element of competition is absent.

We hear much these days of the desirability of a summit conference. It might not be amiss for the President to call a little summit conference of his own department heads right here in Washington. The purpose of such a top-level meeting would be for him, as Commander in Chief, the Secretary of Defense, the Administrator of the Small Business Administration, and other appropriate agency heads to work out an effective competitive procurement system so as to promote economy in defense spending through greater employment of the talents and resources of our willing, able, and efficient community of small business concerns.

It appears that only the President himself has the power to make certain that efficient business principles are adopted as standard practice throughout the Government. By doing so, he would give a greater note of sincerity to his oft-proclaimed desire to promote efficiency in Government and to control inflation.

I earnestly believe that something needs to be done in order that small businesses throughout the country may receive fair treatment, and that our basic economy may remain strong.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

PROMOTION OF PEACE THROUGH REDUCTION OF ARMAMENTS

Mr. HILL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 573, Senate Concurrent Resolution 48.

The PRESIDING OFFICER. The concurrent resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 48) to promote peace through the reduction of armaments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. HUMPHREY. Mr. President, it is appropriate today to consider Senate Concurrent Resolution 48 which will reaffirm the Senate's interest in and desire for an end to the armaments race. Only yesterday did we approve the conference report on the Defense Department appropriation bill, providing \$39.2 billion for military security for the fiscal year beginning July 1, 1959. The Sen-

ate, by passing this resolution, will say that if the world can reach agreement on reducing armaments the United States should set aside a portion of the savings resulting therefrom for works of peace throughout the world.

Senate Concurrent Resolution 48 not only states that it is the opinion of the Senate that any saving resulting from disarmament should be used for works of peace programs. It also declares that these works of peace programs should be continued and expanded, such programs as economic and technical assistance to less developed countries, development of natural resources, international cooperation to combat hunger and disease, exchange programs, development of atomic energy for peaceful purposes, and the construction of new schools, universities, hospitals, and other essential facilities.

I am hopeful, Mr. President, that the message of this resolution can be realized, that soon the major powers, at least, will be able to resolve their differences sufficiently to permit some positive step to be taken to reduce the burdens of an armaments race. This past year the nuclear powers temporarily stopped their tests of nuclear weapons. What might have happened, in the spirit of the resolution now before us, would have been to use the money saved on the part of the United States, the Soviet Union, and the United Kingdom for international development projects. This money would only have been in the millions, but nonetheless it would have been substantial enough to make a contribution to the betterment of mankind in many parts of the world.

In closing, I should like to call to the attention of my colleagues the provision of the resolution which directs that its contents be submitted to all member governments of the United Nations. It is important to have the contents of this resolution before the United Nations

when the next General Assembly convenes. At that time a major discussion of the arms control problem will take place and the interest of the United States Senate should be known to the various nations represented at the U.N. as they debate and discuss this crucial subject.

Mr. HILL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HILL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OPPOSITION TO THE DUMPING OF RADIOACTIVE WASTE IN THE GULF OF MEXICO

Mr. YARBOROUGH. Mr. President, on several previous occasions I have stated my opposition to the proposed dumping of radioactive wastes in shallow, inshore waters of the Gulf of Mexico, and my support of a bill introduced by Representative CLARK W. THOMPSON, of Texas, in the House of Representatives.

Hearings have been held before the Joint Committee on Atomic Energy on a proposal to require that such dumping be at least 200 miles offshore and be in waters at least 1,000 fathoms deep; also that the waste be placed in containers of a type which will prevent the radioactive waste from readily escaping into the sea.

Groups of citizens, civic and conservation organizations, and city, county, and State governments have joined in opposition to the proposed licensing of the dumping in the Gulf of Mexico of radioactive waste.

I wish to call the attention of the Congress to other opposition to the present proposal to make such dumpings 29 miles from shore, rather than 200 miles or more from shore, as provided in the Thompson Act.

I request unanimous consent to have printed at this point in the RECORD a resolution adopted on July 15, 1959, by the South Texas Chamber of Commerce, at a special, called meeting in San Antonio, Tex.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION RE PROPOSAL FOR DISPOSAL OF RADIOACTIVE WASTE MATERIAL IN THE GULF OF MEXICO

Whereas the South Texas Chamber of Commerce represents the commercial, agricultural, and recreational interests of 52 south Texas counties, including those counties adjacent to and extending along the coastline of the Gulf of Mexico from Brazoria to Willacy Counties; and

Whereas this organization recognizes the economic significance of the marine and wildlife resources harbored in the waters of the Gulf of Mexico and the bays, inlets, and tidal waters connected therewith; and

Whereas this organization is dedicated to the protection and preservation of said waters, and the marine and wildlife resources contained therein; and

Whereas the Industrial Waste Disposal Corporation has filed application to the United States Atomic Energy Commission under docket 27-9 for permission to dispose of radioactive waste material in the Gulf of Mexico: Now, therefore, be it

Resolved by the board of directors of the South Texas Chamber of Commerce, meeting July 15, 1959, in San Antonio, Tex., That said board of directors voted unanimously in opposition to said proposal to dump radioactive waste material in the Gulf of Mexico, based upon the premise that such disposal conceivably could: (1) Destroy the economic and recreational values of said waters through dangerous contamination; (2) create a menace to the health, welfare and rights of the people of Texas and the United States; (3) contaminate the beaches and bays, inlets and lower reaches of rivers and streams by tidal washing of radioactive waste material or radiation resulting from such material onto the beaches and into said bays, inlets and lower reaches of rivers and streams entering the Gulf of Mexico; and, be it further

Resolved, That copies of this resolution be transmitted to U.S. Senators LYNDON B. JOHNSON and RALPH YARBOROUGH, Members of the House of Representatives from south Texas, and to the Atomic Energy Commission.

Mr. YARBOROUGH. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD an editorial from the Victoria (Tex.) Mirror for Thursday, July 23, 1959. In connection with this editorial, I point out that the Atomic Energy Commission has agreed to hear further protests from groups along the coast, before carrying out its decision to issue a license to the Texas firm for the dumping in the Gulf of Mexico of radioactive waste.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DUMPING ATOMIC WASTE IN GULF SHOULD BE PROHIBITED BY LAW

This newspaper has carried several articles regarding the disposal of atomic waste material in our oceans and in the Gulf of Mexico and our Congressman, CLARK W. THOMPSON, has introduced a bill that would prohibit dumping this material at any point less than 200 miles from shore and in water that is at least 6,000 feet deep.

This bill, if adopted and if it could be established that there would not be repercussions from dumping this material in the Gulf of Mexico, should at least demand of the Atomic Energy Commission that a constant analysis of the coast waters, checking for radiation, should be made regularly.

The further this subject is delved into and discussed, the more it appears there is not too much assurance that we could be safe by such a disposal process and in fact, we might find ourselves with contaminated water all around us. The Atomic Energy Commission has already granted a license to a Texas company authorizing them to dump atomic waste material 150 miles out in the Gulf of Mexico, even in spite of the fact that the testimony of their own experts has shown considerable doubt about the program and its effects upon the water.

There seems to be a great deal of confusion and a lack of real knowledge on this subject and a marine scientist and consultant to the AEC, Dr. Allen Seymour, has recently testified that the currents in the Pacific Ocean carried radioactive material 3,000 miles after the atomic tests were made in 1954. This radiation was carried clear across the Pacific and he said the amount of the radioactivity was minor; however, that would certainly indi-

cate that the material does get around and could become dangerous in larger quantities. Another prominent AEC biologist, Dr. I. E. Wallen, has also testified according to reports, that more studies should be made to accurately assess the level of radioactivity that could be absorbed in the ocean before creating detrimental conditions. This would certainly indicate, too, that the AEC does not know just what effect could or would take place.

A member of the House subcommittee, holding hearings in Washington on this matter, Representative BOB CASEY, of Houston, is reported to have called attention to the fact that the National Academy of Sciences has actually contradicted itself on the subject, after they had recommended 28 sites in the Atlantic Ocean and Gulf of Mexico, claim to be suitable for dumping low level radioactive waste material. It would be the opinion of many people that the AEC would not be having these studies made and some of them even right here in Texas by Texas A. & M. College, if they knew what the actual effects were of dumping the atomic waste materials into the Gulf of Mexico. Most people seem to think that before any dumping of this material takes place, complete studies should be made and the facts well known before any such material is placed in our Gulf of Mexico and, for that matter, any other waters.

Mr. YARBOROUGH. Mr. President, if the license is granted, I hope the dumpings will be made at least 200 miles offshore, and in waters at least 1,000 fathoms deep.

DANGERS OF A VISIT TO THE UNITED STATES BY PREMIER KHRUSHCHEV

Mr. JOHNSTON of South Carolina. Mr. President, I bring to the attention of the Senate an editorial entitled "Enter, Czar Nikita," written by Mr. David Lawrence, the editor of U.S. News & World Report.

In the editorial Mr. Lawrence outlines the dangers of a visit to this country by the Soviet Premier.

I agree fully with Mr. Lawrence's contentions in the editorial. As I told the press yesterday, one who plays with a rattlesnake is likely to be bitten; and when we play with Mr. Khrushchev, we are playing with a rattlesnake, in my opinion.

As Mr. Lawrence points out in his editorial:

A convict who returns to society rehabilitated in mind may or may not be received in his community as an equal. But Nikita Khrushchev would be coming to America unrepentant, arrogant, dictatorial, and without abandoning a single one of his threats to our safety.

I agree with Mr. Lawrence that Mr. Khrushchev's record of arrogance and dictatorship and the record of his country's murder of Hungarians and other nationals makes him one whom the American people should not hail when he lands on American soil.

As Mr. Lawrence so aptly puts it:

Yes; if Czar Nikita wants to come to visit our shores, the U.S. Government can only say "Welcome" in an official sense; but the American people reserve the right to say that no tyrant or murderer can ever be "welcome" in free America.

I feel we are doing the wrong thing in inviting Mr. Khrushchev to this country, because the invitation will be taken to mean, by countries behind the Iron Curtain and those now being threatened around its perimeter, that America is softening to the Soviet line.

I hope some good will come out of the exchange of visits by these leaders, but I earnestly pray that nothing that could provoke a war will happen while the two leaders are visiting each other's country.

I certainly hope the American people will give no honor to Mr. Khrushchev when he comes to America, for they should not honor one who, as much as any other Soviet leader, directed the slaughter of people behind the Iron Curtain and the violation of practically every agreement ever made between our Nation and Russia.

What we need to show Mr. Khrushchev, when he comes, is our military might. The only thing the Russian dictator or any other dictator will ever understand is military might.

I am asking that the President arrange for the mightiest armada of airplanes and military might ever shown any foreign national in our history. I think this would be the most important thing America could show Mr. Khrushchev, to convince him to leave us alone.

We can show him all the beautiful homes, television, and other advantages of American living that we want to show him, but they will have no effect whatsoever on him. Mr. Khrushchev will only be jealous of our high standards of living, and such displays will only further deepen his fear of our system. What we really need to do is display our military might to him; and I hope the leadership in the Senate and in the House will join me in bringing pressure to bear on the President, to convince him that we must display our military might to Mr. Khrushchev and to the entire world, at the time of his visit to Washington.

Mr. President, I ask unanimous consent that the editorial entitled "Enter, Czar Nikita" written by David Lawrence, and published in the August 10, 1959, issue of U.S. News & World Report, be printed in the RECORD, together with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ENTER, CZAR NIKITA
(By David Lawrence)

Officially the Government of the United States cannot decline to permit any member of a foreign government to come to this country for a visit as a tourist. Nor can the Government in Washington deny our own citizens the right to say what they please to any visitor, whoever he may be. Freedom of speech is the rule in America.

If, therefore, as is being widely discussed, the Soviet Premier comes to the United States, our officials will have to be courteous. But this does not require cheers of applause from the resentful among us who see in Nikita Khrushchev the man who has ordered the murder or exile of tens of thousands of men and women in Hungary, East Germany, and the other captive nations, as well as inside the Soviet Union itself.

A convict who returns to society rehabilitated in mind may or may not be received

in his community as an equal. But Nikita Khrushchev would be coming to America unrepentant, arrogant, dictatorial, and without abandoning a single one of his threats to our safety.

The hope of those Americans who favor his trip is that he will become educated about this country and its economic strength as well as its spirit of peacefulness. It is optimistically assumed that, when he gets to know America better, he will lose his misconception of our purposes and will be more flexible in negotiations.

This, however, is a fallacious theory. The leopard doesn't change his spots when he emerges from the jungle. Khrushchev is just another Hitler. He has gotten to be boss of the Soviet Union by trampling over his opposition and by distorting truth. He has threatened to "bury" the people of the United States under an avalanche of atomic missiles. He has issued an ultimatum to force us out of West Berlin. He has instructed his Foreign Minister to make no agreement at Geneva that substantially alters his previous position. He wants no reunification of Germany. He insists that our troops withdraw altogether from Europe and that we give up our plane and missile bases there.

Some misguided Westerners think there is logic in his demands—that we ought not to encircle the Soviet Empire. But they forget that, once our forces withdraw from bases overseas, we cannot instantly get them back, whereas it would take the Soviets just a few hours to send their troops and planes to conquer Germany, France, and Britain.

It is imperative that the United States and its allies maintain their psychological as well as their military position. To yield to Khrushchev means discouragement to the peoples of the captive countries and, indeed to the hopes of freedom-seeking peoples everywhere.

Why should we yield? To make money out of trade? Khrushchev thinks we are addicted to materialism and that the businessmen of the West place the pursuit of money above all else.

But the Soviet leader is mistaken. While the allies in the 1930's did allow trade in strategic materials to go on almost to the time of Hitler's attack in September 1939 we shall not make that same error again.

Things have not changed too much with respect to autocratic rule in Russia over the years. In 1951 there was published a translation of a book originally written in 1839 by the Marquis de Custine entitled "Journey for Our Time." It is a journal of his travels in Russia 120 years ago. Walter Bedell Smith, former American Ambassador to Moscow, in an introduction says:

"A change in nomenclature has not altered the character of Russia's rulers or of its institutions. Whether it is Stalin or the Czar, it is still 'the little father' of the Russian people and it is still merciless despotism. . . ."

"The privileged class is today as remote from the mass of citizens as was Nicholas' court. The rank and position of the individual derives from the new Soviet 'czar' as surely as it did in the days of Nicholas I or in the days of Peter the Great. The ruler continues to be the most powerful and least accessible of all the world's sovereigns. . . ."

"But like his czarist predecessors, he is omnipresent, dominating the lives and thoughts of his subjects in every city, village, and hamlet across one-sixth of the world's surface. In Custine's words: 'All must strive scrupulously to obey the thought of the sovereign; his mind alone determines the destiny of all.'"

Essentially, there is little difference between the Russian Czars of yesteryear and the Soviet "Premier" of today. Czar Nikita's rule is just as absolute. The people live under a reign of terror, and there is no limit

to his tenure. He is the Czar of all the Russias—the Soviet Empire. This now includes the neighboring countries in Eastern Europe, which are kept in a state of subjugation by the presence of Soviet troops.

Yes; if Czar Nikita wants to come to visit our shores, the U.S. Government can only say, "Welcome," in an official sense, but the American people reserve the right to say that no tyrant or murderer can ever be "welcome" in free America.

PERMANENT AUTHORITY FOR SECRETARY OF AGRICULTURE TO MAKE LOANS UNDER BANKHEAD-JONES FARM TENANT ACT

Mr. HOLLAND. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives in regard to House bill 7629.

The PRESIDING OFFICER (Mr. McNAMARA in the chair) laid before the Senate the bill (H.R. 7629) to make permanent the authority of the Secretary of Agriculture to make loans under section 17 of the Bankhead-Jones Farm Tenant Act, as amended, and for other purposes, which was read twice by its title.

Mr. HOLLAND. Mr. President, by direction of the Senate Committee on Agriculture and Forestry, I ask unanimous consent that the bill now be taken up by the Senate, for action.

The PRESIDING OFFICER. The question is on agreeing to the request of the Senator from Florida. Is there objection?

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLLAND. Mr. President, by direction of the Senate Committee on Agriculture and Forestry, I offer an amendment to strike out all after the enacting clause of House bill 7629 and substitute in lieu thereof the substance of the Senate bill on the same subject, S. 1941, which passed the Senate some time ago.

Mr. KEATING. Mr. President, may I ask if this matter has been cleared?

Mr. JOHNSTON of South Carolina. Mr. President, I may say to the Senator from New York this action was unanimously recommended by both Democrats and Republicans.

Mr. HOLLAND. I wish to assure the Senator from New York I have just conferred on this matter with the Senator from Vermont [Mr. Aiken] and the Senator from Louisiana [Mr. Ellender], and that the Senator from South Carolina [Mr. Johnston] this morning presided over our meeting. All are agreeable to this action.

Mr. KEATING. I thank the Senator.

The PRESIDING OFFICER. The amendment proposed by the Senator from Florida will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert:

That section 17 of the Bankhead-Jones Farm Tenant Act, as amended, is amended by striking out "June 30, 1959" and inserting "June 30, 1961."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I ask that the bill, as amended, be passed.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 7629) was read the third time and passed.

The title was amended so as to read: "An act to extend section 17 of the Bankhead-Jones Farm Tenant Act for 2 years."

Mr. HOLLAND. Mr. President, I move that the Senate insist on its amendment, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. HOLLAND, Mr. TALMADGE, Mr. AIKEN, and Mr. MUNDT conferees on the part of the Senate.

THE CURRENT STEEL STRIKE

Mr. CLARK. Mr. President, I am happy to join the junior Senator from Missouri [Mr. SYMINGTON] in sponsoring Senate Concurrent Resolution 69. I commend him for submitting the resolution expressing the sense of the Congress that the President take certain actions in the national security and welfare to settle the current steel strike.

The resolution calls for the President to use his prestige and influence, to meet with the principals involved, and if a settlement is not effected by an early date set by him, to appoint an impartial board to bring the facts before the public and submit recommendations for the settlement of the dispute in a way which will best serve the national interest and be fair and equitable to both parties.

I have introduced a measure which would establish a basis for fact-finding procedures to protect the public interest in circumstances such as now exist in the steel industry.

A similar measure was also introduced in the House of Representatives by Representative HENRY REUSS, of Wisconsin. Hearings have been held on it in that body.

I had hoped hearings could be held in the Senate committee, and perhaps a bill reported and passed during this session, but I find, to my chagrin, the administration is firmly opposed to the Clark-Reuss measure, as it indeed seems to be opposed to the somewhat more stringent measures sponsored by the Senator from Tennessee [Mr. KEFAUVER], the Senator from Wyoming [Mr. O'MAHONEY], and other members of the Senate Committee on the Judiciary.

Accordingly, it seems to me in these last days of the session we had better take what we can get. For that reason I am happy to cosponsor the resolution of the junior Senator from Missouri [Mr. SYMINGTON].

Mr. President, the steel strike has already caused widespread unemployment, reduced national production, and resulted in great financial loss to steel-

workers, steel companies, and related industries. In the Commonwealth of Pennsylvania, as of July 28, 147,800 steelworkers were directly involved in the strike, and accordingly they are not presently at work, and are therefore unemployed. This number is added to an unemployment roll of approximately 350,000 Pennsylvanians—a very substantial percentage of our labor force. It makes conditions in our already chronically depressed areas very much more difficult.

Workers who are indirectly involved by the strike total about 27,000 Pennsylvanians. The Federal Government is, of course, sustaining a heavy loss of much needed revenues.

Accordingly, I urge early adoption of the resolution of the junior Senator from Missouri, and I urge positive action by the administration.

Mr. President, it is not enough merely to ask the Secretary of Labor to conduct a one-man factfinding investigation and to issue statements from the White House calling upon the parties to behave, to get together, and to stop the strike. Such efforts will not bring results. We have to have something considerably more effective.

I suggest it may well be that the mood of the Congress is such that the resolution of the junior Senator from Missouri can be favorably reported and passed. I hope it will be, because in no other way can the full force of public opinion be brought to bear to facilitate an early and equitable settlement of this dispute; and, Mr. President, after all, that is the objective which we all seek.

Mr. President—

The PRESIDING OFFICER. The Senator from Pennsylvania.

THE VICE PRESIDENT'S RUSSIAN TRIP

Mr. CLARK. Mr. President, I should like to make a brief effort to place into perspective the Nixon trip to Russia and to the Eisenhower-Khrushchev agreements for conference. A great deal of praise has been heaped upon the Vice President in this Chamber during recent days, some of it, to my way of thinking, extravagant. Yet, at the same time, I would be the first to admit that the Vice President has conducted himself with dignity in Russia; that he has forcefully and publicly stated the American case. One has no reason to think that he did not do equally well in his private conversation with Mr. Khrushchev. His visit to Poland has been an obvious success.

The Vice President seems to have been met with friendly gestures by the people both of Russia and Poland, and I for one would not want to take any credit away from him for what is clearly a successful effort. And yet I think we should put all this in perspective.

One of the very best of our political reporters in America, in my judgment, is Mr. James Reston, of the New York Times. He was in Russia with Mr. Nixon, and he wrote a series of articles which, in my judgment, should be called

to the attention of all Senators and all those who read the CONGRESSIONAL RECORD.

I turn first to an article which appeared in the New York Times of August 1, and was entitled "Survey on Nixon Trip."

I ask unanimous consent that the article may appear in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 1, 1959]
SURVEY ON NIXON TRIP: REPORTERS FEEL TOUR HAS BEEN SUCCESS, FAVOR EISENHOWER-KHRUSHCHEV TALKS

(By James Reston)

Moscow, July 31.—A survey of the reporters traveling in the Soviet Union with Vice President RICHARD M. NIXON indicated almost unanimous agreement today on these points:

The Vice President's mission has been a success. It has not resulted in any change in Soviet policy, but it has served U.S. interests well and enhanced Mr. Nixon's chances of nomination for the 1960 Republican presidential nomination.

Despite all the difficulties, a meeting between President Eisenhower and Premier Nikita S. Khrushchev is a gamble that should be taken. Most of the correspondents thought the meeting should be held in the United States.

The Soviet Union is less advanced industrially than the correspondents thought, though most of them made the point that they had not been shown the men and the facilities that made possible the Soviet success in rocketry and atomic energy.

The Soviet people are more friendly to the United States, better fed, better and more colorfully clothed than the visitors expected them to be.

SURVEY HELD ON PLANES

The survey was conducted among the more than 50 reporters traveling in 2 Soviet jetplanes this afternoon between Sverdlovsk and Moscow on the last leg of the Vice President's 5,000-mile trip to Leningrad, Siberia, and the Urals.

They were asked whether they had modified their views as a result of their visit to the Soviet Union, what they thought of Soviet technical skills as a result of their trip, how they had reacted to the Soviet people and officials, how they thought Mr. Nixon had handled his mission and whether they thought it would be useful to have a meeting between the President and Premier Khrushchev.

On this last point, five correspondents said they had changed their minds about the advisability of an Eisenhower-Khrushchev meeting. These five testified that they had come here thinking nothing but trouble would result from such a meeting.

They added that they were now inclined to believe that Mr. Khrushchev was probably more willing to talk openly and try to reach an accommodation, and that he was perhaps less dictatorial than any other possible Soviet Premier. Consequently, they said that on balance a meeting was probably worth a try, preferably in the United States.

One correspondent said he was leaving there even more alarmed by the combination of Mr. Khrushchev's power and erratic personality than he had been when he arrived.

William Randolph Hearst, head of the Hearst newspapers, said he thought any decision of this sort should await the final analysis of the Soviet Government's policies at the Geneva meeting of the Foreign Ministers' Conference, and three other correspondents agreed with this position.

Four correspondents, while favoring an Eisenhower-Khrushchev meeting, thought the risk of demonstrations against the Soviet Premier in the United States was too great and suggested it be held in a neutral country or on the high seas.

VALUE OF MEETING CITED

But the majority felt that the main point of such a meeting should be to let Mr. Khrushchev see the United States for himself in the hope that this might correct some of his misconceptions about American society.

The reaction of the visitors to what they saw of Soviet industrial and construction activities was interesting. Most of them came here after more than a year of constant publicity about Soviet scientific and engineering skills, and after a great deal of Soviet propaganda about how the U.S.S.R. was going to surpass the United States in the production of consumer goods within a decade.

All testified to the vast potential of Soviet natural resources and to the vitality and progress of the Soviet people, but they found many things on their trip that made them think that perhaps Soviet capabilities had been overestimated in the United States in the last year and a half.

Mr. CLARK. Mr. President, to my mind, the key sentences in this article are as follows:

The Vice President's mission has been a success. It has not resulted in any change in Soviet policy, but it has served U.S. interests well and enhanced Mr. Nixon's chances of nomination for the 1960 Republican presidential nomination.

This article I think helps us to realize that perhaps the most valuable part of Mr. Nixon's trip was the education which Mr. Nixon himself received as a result of having met with Russian officials and having had an opportunity to travel widely in that country and to allay a number of misconceptions about Russia, its power, its strength, the character of its people, their attitude toward ourselves, which, in my judgment, the Vice President had when he left this country. Therefore, I say that this is all to the good.

Mr. Nixon is a successful politician. All of us in this body are at least to some extent successful politicians or we would not have arrived in this body. So it is in no invidious sense that I say that naturally as a politician Mr. Nixon was not unaware of the fact that a successful trip to Russia would enormously enhance his chances of obtaining the Republican nomination and perhaps his chances of being elected President. I do not blame him a bit for taking that into account, but I do think it is important that we should all realize that this was one of the primary reasons for the visit. There were other reasons, too, but let us appreciate that what has been going on has been primarily the education of Mr. Nixon, his fine conduct under difficult circumstances, and perhaps most important of all the enhancement of his chances for the Republican nomination.

Another article written by Mr. Reston entitled "Nixon's Other Mission: His Personal Encounter With People May Be the Enduring Gain of His Visit," emphasizes what I have just said, and I ask unanimous consent, Mr. President, that this article may appear in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, July 31, 1959]

NIXON'S OTHER MISSION: HIS PERSONAL ENCOUNTER WITH PEOPLE MAY BE THE ENDURING GAIN OF HIS VISIT

(By James Reston)

PERVOURALSK, U.S.S.R., JULY 30.—When Vice President RICHARD M. NIXON was bumping along a rough, dusty road between here and Sverdlovsk this morning, he came suddenly on a small crowd gathered on a sunny hillside before a solitary stone memorial resembling a miniature Washington Monument.

"This," explained his interpreter, "is the dividing line between European and Asiatic Russia." On the hillside were faces from the two continents: old men in their best clothes, magnificent old women in white headcloths, young and middle-aged husbands and wives, some Nordic blond and blue-eyed, some dark and Asiatic, with shy and lovely children at their side.

The Nixon caravan stopped. Solemn young women moved through the crowd of visitors with trays of Soviet champagne and chocolates. A severe, square, young official welcomed the guests from overseas. After a brief response from the Vice President the caravan moved on.

SIMPLE INCIDENTS STAND OUT

Mr. NIXON is not likely to forget this charming incident. In fact, the enduring things about his visit to the Soviet Union are not likely to be the big splashy newsworthy events, the rather obvious aggressive and dutiful official questioners in the crowds, or even Premier Nikita S. Khrushchev in one of his calculated tantrums, but rather the simple, natural things Mr. Nixon has seen along the way.

The Vice President has really had two missions to the Soviet Union, one to the Government and one to a limited number of people in widely dispersed areas. There is no evidence that he has affected Soviet policy, despite efforts by his spokesmen to give this impression.

The Soviet officials have kept their promises to him to let him talk and to publish his statements. They have also tried to undermine his statements when they were published. They are operating on the assumption that he might be President of the United States, and therefore they have been careful not to offend him.

Yet they have been careful also to see that he was heckled and that his arguments were answered in the monolithic Soviet press.

That is the main point: On a government-to-government level the mission has been a standoff. But in personal terms, which, alas, are not very important these days, his experience has been quite different.

He has seen, or at least has had an opportunity to see, a number of very poignant things.

The look of wonder and then of joy in the faces of the crowd in the closed Siberian city of Novosibirsk at the sight of strangers from beyond the prairie horizon.

The surprise and inexpressible gratitude of an old peasant woman at the Asiatic-European boundary this morning upon seeing a picture of her grandson taken only a minute before by one of the Vice President's aids.

The evidence of immense natural resources in Siberia and of human vitality, pride, and yearning, all working for a better life.

The sight of prairies reaching to the horizon and big skies, and log cabin villages right out of Lincoln country, complete with picket fences crying for Tom Sawyer, and swimming holes populated by swarms of naked Huckleberry Finn youngsters.

No one in the Vice President's party thinks any of this is very important, and yet the

scenes Mr. Nixon saw today ring a bell somewhere in the American mind. They were right out of the romantic agrarian tradition that our urban, industrial society has left behind but which it still glorifies.

Mr. Nixon reacted almost unconsciously today to this similarity between the 19th-century United States and the modern Soviet Union.

Everywhere he went, almost by ritual, the local officials gathered in the townhall, served bubbly water and pop on tables covered with green baize, and explained with patient pride what their city had been at the time of the Soviet revolution in 1917, and what it was today, and particularly what it was going to be in the future.

No U.S. Chamber of Commerce ever followed the "bigger and better" tradition of local pride more faithfully. The Vice President responded to this by recalling his humble beginning in the United States West cataloging the similarities between the two continental countries.

ENERGY NOTICED EVERYWHERE

He talked about the "wonderful" building program going on in every city he had seen and the feeling of energy everywhere. He was partly right and partly wrong.

The building is going on all right, but it is quickly and poorly constructed by unskilled workers with inferior materials. But he was right in saying there is energy and movement.

The Russians are dreaming dreams of glory. The dominant sounds here are of puffing trains laboring and hooting in the night and politicians planning and boasting by day.

This is something all American visitors here respect. Their meetings with the Soviet Government officials begin in argument and end in frustration. But their visits among the Soviet people are hopeful and even wistful experiences.

Mr. CLARK. The key sentences in this article, Mr. President, are:

The Vice President has really had two missions to the Soviet Union, one to the Government and one to a limited number of people in widely dispersed areas. There is no evidence that he has affected Soviet policy, despite efforts by his spokesmen to give this impression.

And again:

On a government-to-government level the mission has been a standoff. But in personal terms, which, alas, are not very important these days, his experience has been quite different.

Then the article goes on to point out a number of facts about the Russian economy, the organization of Russian life, the attitude of the Russian people, which were forcibly brought to Mr. Nixon's attention, and he points out how helpful that must have been to Mr. NIXON.

Mr. President, the third article written by Mr. Reston appeared in the New York Times on the 3d of August of this year. It is entitled, "NIXON and Foreign Policy." I ask unanimous consent that this article may appear in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

NIXON AND FOREIGN POLICY—LAST NEWS PARLEY IN SOVIET FINDS HIM WELL PREPARED AND FAST ON HIS FEET

(By James Reston)

MOSCOW, August 2.—Vice President RICHARD M. NIXON's long years of political controversy are beginning to pay off. He has

been in the center of so many battles in the last decade, usually as the principal target, that he has learned to control his temper, his voice and even his facial expressions. This much, at least, he proved today when he held a full-dress news conference here under trying and even dangerous circumstances.

The conference was held in the ballroom of Spaso House, the residence of the U.S. Ambassador, which is a vast, ornate structure built in czarist Moscow by a sugar baron.

Mr. Nixon opened the conference to Soviet correspondents. To guard against charges of favoritism, he used an interpreter from the Soviet Foreign Ministry, Yuri Levanov, a tense and eager young man. He let in the television cameras, Soviet and American, and took his chances.

The Russians seized upon every opening. They preceded their questions with their own official opinions and charges. They condemned U.S. military bases overseas. They criticized U.S. trade policy as "discriminatory." They badgered the Vice President about U.S. nuclear policy. They even accused him of failure to give Soviet reporters an even break with American reporters in asking questions.

He waited them out patiently. He let their harangues go on. He went out of his way to recognize them, even when they taunted him, and answered back, not brilliantly but just briefly enough and generally enough to avoid the traps they had obviously been told to lay for him.

This was not an easy exercise. The element of accident was great. Mr. Nixon had to answer in terms that would not be misunderstood either in the Soviet Union or at home.

HIGHLY EXPLOSIVE QUESTIONS

He had to be fair to his hosts, mindful of his responsibilities to both President Eisenhower and Secretary of State Christian A. Herter and responsive to a wide range of highly explosive questions. All this he managed to do with considerable skill.

He refused to discuss the substance, or even the subject matter, of his talks with Premier Nikita S. Khrushchev before reporting to the President.

He avoided getting entangled in the maze of delicate and controversial topics Secretary Herter is trying to negotiate in Geneva.

Yet he did not hesitate to express his personal opinion on an Eisenhower-Khrushchev meeting, which was that it would be useful, particularly if it could be arranged in such a way as to minimize or remove some of the Soviet Premier's misconceptions about the United States.

It was perfectly clear today that the Vice President had prepared himself carefully on the issues that divide the United States and the Soviet Union. At no time during the news conference or, indeed, in his conversations in the Soviet Union, did he show any originality in developing possible solutions for the problems harassing the two countries. But he knew the State Department's policy well enough to stay out of trouble.

The Vice President is not a policymaker or innovator. He is still essentially a tactician and a debater, a master of the obvious and of the sweeping generalization. But he has spent a lot of time making his way through the political minefields, and he is not easily trapped.

OLDER AND MORE SERIOUS

On this trip, perhaps because he has been working night and day, he looks older and more serious. The two lines running from the nose to the mouth are now deep crevices and the eyebrows seem even darker and thicker.

There is no doubt that he has come out of this experience with much more confidence. His previous overseas missions, to Latin America, Africa, and Asia, were largely cere-

monial. This one has dealt more with substance, which has pleased him.

For some time he has wanted to get deeper into the formulation, administration, and negotiation of policy. He has been conscious of the fact that, despite his considerable experience in the House and Senate and in the Vice Presidency, he has had little opportunity to work on the kind of decisions he would have to take in the Presidency.

In private conversation, he has repeatedly said—though he has been careful to avoid any political discussion during this trip—that, in his judgment, the American people would choose for the Presidency the man they thought best qualified to deal with the dangerous and intricate questions of foreign policy.

In this sense, he has enhanced his opportunities on this trip. The likelihood is that on the basis of his record here he will get more executive responsibility in the future.

MR. CLARK. Mr. President, the key sentences in this article are these:

It was perfectly clear today that the Vice President had prepared himself carefully on the issues that divide the United States and the Soviet Union. At no time during the news conference or, indeed, in his conversations in the Soviet Union, did he show any originality in developing possible solutions for the problems harassing the two countries. But he knew the State Department's policy well enough to stay out of trouble.

The Vice President is not a policymaker or innovator. He is still essentially a tactician and a debater, a master of the obvious and of the sweeping generalization. But he has spent a lot of time making his way through the political minefields, and he is not easily trapped.

This article emphasizes again, Mr. President, what I said a few minutes earlier, that Mr. Nixon's trip has been a success from his own point of view, that it certainly has done nothing to hurt the interests of the United States, and that it has made no impact whatever on the relationships between our Government and Russia.

The fourth article written by Mr. Reston appeared in the New York Times this morning, August 5. It is entitled "Bilateral Talks Prevail." I ask unanimous consent that the article may appear in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

BILATERAL TALKS PREVAIL—NIXON MISSION SHOWS HOW STRAIGHT DISCUSSION CAN PIERCE PROPAGANDA

(By James Reston)

WARSAW, August 4.—The mission of RICHARD M. NIXON to the Soviet Union and Poland ended tonight in a garden back of the U.S. Embassy with the Vice President discussing Chopin, piano lessons, and Harry Truman; Adm. Hyman G. Rickover talking philosophy with the Polish Premier, Jozef Cyrankiewicz, and Dr. Milton S. Eisenhower arguing education problems with the rector of the University of Warsaw. None of this was any more important than the stimulated conversation of a Washington cocktail party, and yet it illustrated a fundamental point about this whole mission.

This was that it is possible to break through the arid stereotypes of official cold war diplomacy and propaganda and get down to straight talk about East-West differences.

For the last 2 years, aside from some plain talk between President Eisenhower and Prime Minister Harold Macmillan, of Britain, there has been very little honest discussion

among the responsible allied leaders on allied problems or East-West problems.

Serious differences have developed over this period between Washington and Paris, without any real effort by President Eisenhower and President Charles de Gaulle of France to get together to resolve them. Relations between Washington and Moscow have steadily deteriorated while each side shouted at the other over its official radio.

The Geneva Conference of Foreign Ministers has been a tedious battle of debating points in which neither side has been willing to concede anything of substance.

Now, at least, a new field of negotiation has opened up at the highest level. President Eisenhower and Nikita S. Khrushchev, the Soviet Premier, have agreed to exchange visits to each other's country. The President has agreed to go to Paris to see General de Gaulle and to London and Bonn to talk with Mr. Macmillan and Chancellor Konrad Adenauer.

The experiment in multilateral negotiation has, for the time being, been put aside after innumerable disappointments, and is being replaced at least temporarily by a return to bilateral discussion among the highest responsible leaders.

This may prove to be no more profitable than the multilateral talks among ambassadors and foreign ministers, but at least it opens up a new phase of international conversation and keeps the dialogue going.

In the narrowest terms, the Russians have come out of this last phase ahead. Mr. Khrushchev has said all along that debates among the foreign ministers were a waste of time, and it is hard to prove by the Geneva Conference that he was wrong.

He has wanted not multilateral conversations but direct talks with President Eisenhower and Washington has now agreed not to one but to two.

Washington had consistently refused to agree to a summit meeting unless the Soviet threats on Berlin were removed and genuine progress was made at Geneva. The threats have not really been removed and no substantial progress has been made at Geneva, but a limited summit meeting has been arranged under the most dramatic circumstances.

DOUBT ON KHRUSHCHEV TALKS

Incidentally, while everyone in the Nixon entourage is being very polite about all this, nobody here is really very pleased about the way the Khrushchev meetings were arranged.

President Eisenhower, of course, had long reports from both Mr. Nixon in Moscow and Secretary of State Christian A. Herter in Geneva—1 of 20 pages from Mr. Nixon alone—but the feeling here is that it might have been wiser to wait 2 or 3 days for careful personal conversations with the Vice President and Mr. Herter in Washington before agreeing to two conversations with Mr. Khrushchev in Washington and Moscow.

Nevertheless, the President has decided to make another personal effort to break the stalemate, as most observers felt confident he would do at some time before the end of his second term.

In doing so he has gone back on a variety of statements he has made and of positions his Secretary of State has taken with his approval, and of course the Communist press here is now proclaiming this as a great victory for the Soviet Premier.

The whole story of the Nixon visit has not been told even in the detailed official reports to Washington. It is now known that Mr. Khrushchev was much tougher with Mr. Nixon than the press reports from Moscow indicated. There was an extremely hard and useful exchange of views but no evidence even of the vaguest sort of any new Soviet approaches or concessions or compromises.

In general terms, what has clearly happened is that, since the death of former Sec-

retary of State John Foster Dulles a little more than 2 months ago, the United States has moved closer to the British approach to the Soviet problem.

Before, the President was hesitant either to accept the Soviet postwar gains or to negotiate personally. Now he is at least ready to talk.

Left to himself, without the strong will of Mr. Dulles at the State Department, the President would probably have done so long ago.

He came to the pinnacle of U.S. national political figures not as a powerful advocate of policy but as a mediator among men. And he is apparently determined not to go out of office without trying once more to apply these qualities personally to the international scene.

POLISH PAPER COMMENTS

"Naturally the [Eisenhower-Khrushchev] meeting alone does not mean as yet that everything will run smoothly afterwards," the Peasant Party newspaper Dziennik Ludowy of Warsaw said today.

"But the mutual invitation of both statesmen already signifies a great success of the idea of peaceful coexistence and, let us admit, the personal success of Premier Khrushchev, who is the initiator of the policy of coexistence and peaceful competition and is its ardent executor."

Mr. CLARK. Mr. President, this article discusses the Nixon trip in the light of the Eisenhower-Khrushchev exchange of correspondence with the resulting agreement that Mr. Khrushchev will come to this country and that President Eisenhower will this fall go to Russia. Incidentally, the President has made it abundantly clear that Mr. Nixon had nothing whatever to do with arranging this exchange of visits.

I think the key sentences in this article are the following:

In the narrowest terms, the Russians have come out of this last phase ahead. Mr. Khrushchev has said all along that debates among the foreign ministers were a waste of time, and it is hard to prove by the Geneva Conference that he was wrong.

He has wanted not multilateral conversations but direct talks with President Eisenhower, and Washington has now agreed not to one but to two.

Washington had consistently refused to agree to a summit meeting unless the Soviet threats on Berlin were removed and genuine progress was made at Geneva. The threats have not really been removed and no substantial progress has been made at Geneva, but a limited summit meeting has been arranged under the most dramatic circumstances.

In discussing further the position of the President Mr. Reston points out that perhaps as a result of the unfortunate death of Secretary Dulles the President finds himself freer in the foreign policy field than he had been before, and that he found these meetings desirable. I agree with him. I think he is right now. I thought he was wrong before.

When a man changes his mind we have to give him credit for it. He now believes that he ought to promote these person-to-person discussions with Khrushchev, and the article says:

In doing so he has gone back on a variety of statements he has made and of positions his Secretary of State has taken with his approval, and, of course, the Communist press here is now proclaiming this as a great victory for the Soviet Premier.

Then a little later Mr. Reston says:

In general terms, what has clearly happened is that, since the death of former Secretary of State John Foster Dulles a little more than 2 months ago, the United States has moved closer to the British approach to the Soviet problem.

Finally, Mr. President, there appeared in the Washington Post this morning an article by Joseph Alsop entitled "Khrushchev's Dividend." I ask unanimous consent that this article may appear in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 5, 1959]

KHRUSHCHEV'S DIVIDEND

(By Joseph Alsop)

President Eisenhower's invitation to visit the United States is Nikita S. Khrushchev's latest and most substantial dividend from the Berlin crisis.

Everyone is rejoicing over the great things to be gained by exposing Khrushchev to our own ineffable, all-inspiring charm and might. Hence, one does not want to be a sportsman. But the fact had better be faced that Khrushchev has got the American Government to do what he has long wanted, although the American Government, until very recently, did not want to do this in the very least.

The record on this point is all too plain. From the beginning of the Soviet agitation for a second meeting at the summit, Khrushchev has made it almost comically clear what kind of summit he preferred. What he has always pressed for is just the kind of summit he is now going to enjoy—a face-to-face meeting with President Eisenhower, with no lesser nations represented at the table.

As will be recalled, the official Soviet pressure for a second summit meeting started when poor Nicolai Bulganin was still Premier of the U.S.S.R. Officially, with one eye on the so-called neutrals like India, Bulganin repeatedly proposed an enormous and impossibly unwieldy rally of a score or more of chiefs of state.

Unofficially, meanwhile, Khrushchev, who already had most of the real power in his hands, was telling all and sundry a quite different story. He was saying that the only way to settle anything was for him and the President to get together alone in a corner.

Khrushchev first put this proposition to certain eminent foreign personalities, like Mrs. Franklin Roosevelt and Aneurin Bevan, who were visiting Russia. They were of course expected to pass the word on to the State Department and they duly did so. When there was no response to these feelers, Khrushchev came out into the open at the Kremlin reception of New Year's Day 1958. In the toast he then offered in the presence of the whole diplomatic colony, he again urged a bilateral meeting between himself and Mr. Eisenhower.

Even this blunt, overt approach got no answer from Washington. Khrushchev was not even informally asked just what he wished to discuss. Secretary of State John Foster Dulles was then unshakably opposed to any summit meeting. Dulles furthermore disliked the idea of a bilateral summit most of all. At that time, too, the President fully shared the views of Dulles, as he continued to do until just the other day.

The first shift from this Dulles-Eisenhower position took place when Khrushchev first pressed the Berlin lever. As Berlin was threatened, Secretary Dulles himself was forced to agree that a summit conference might possibly be desirable. He added, however, that such a conference would first have to be justified by some progress at a meeting of the foreign ministers. He did not even bother to add that a bilateral summit was out of the question.

to be justified by some progress at a meeting of the foreign ministers. He did not even bother to add that a bilateral summit was out of the question.

For the record, it is still the American Government's position that a summit conference is desirable, but must first be justified by progress at the foreign ministers' level. But at Geneva, there was no progress at all. The second meeting of the foreign ministers was worse than the first, if anything. And if the meeting dissolved in frustration a second time, no one could tell what would happen at Berlin.

In these circumstances, when all hope was fading at Geneva in mid-July, the idea of a White House invitation to Khrushchev acquired all sorts of new attractions. It would reinsure the Berlin position, at least for the time being. It would give Khrushchev what he has always desired—a bilateral summit. It would avoid the appearance of any American climbdown from the position that a summit must be justified, because the invitation could be presented as personal, informal, and devoid of summit overtones. In this manner, Khrushchev got his dividend.

Sober realism requires all the foregoing facts be borne in mind. When the American Government abandoned long-held views under Soviet pressure, it is an event worth noting. At the same time, these facts do not necessarily mean that the original Dulles-Eisenhower views about a second summit meeting were correct views, even in 1957.

Many very able men have always held other views. For instance, the American Ambassador to Moscow, Llewellyn Thompson, has all along maintained that Khrushchev had something important to say, which he wished to say only in person and to Mr. Eisenhower alone. What this new Monster of Glamis may be, no one can be sure. But many others feel as Ambassador Thompson feels; and if Khrushchev has this special something that he wants to say, it is surely worth hearing. That alone justifies what has now happened.

Mr. CLARK. Mr. Alsop is well known to many of us who count him as our friend as one who tends on occasion to be a prophet of doom and gloom. Mr. Alsop is not what might be called a ruddy-cheeked optimist, and yet on many an occasion Mr. Alsop's warnings, to my way of thinking, have been most useful to the American people.

Mr. Alsop here is cutting through the fuzz and the propaganda and the fog and the ballyhoo of the Madison Avenue buildup and getting to the essential facts of the matter. So I think Mr. Alsop's comment about the Eisenhower-Khrushchev exchange is very pertinent for us to consider, and I quote his first sentence:

President Eisenhower's invitation to visit the United States is Nikita S. Khrushchev's latest and most substantial dividend from the Berlin crisis.

Then he goes on in general to the same line of thinking as Mr. Reston, and then coming toward the middle of the article:

As Berlin was threatened, Secretary Dulles himself was forced to agree that a summit conference might possibly be desirable. He added, however, that such a conference would first have to be justified by some progress at a meeting of the foreign ministers. He did not even bother to add that a bilateral summit was out of the question.

Mr. Alsop continues to point out the obvious that:

The second meeting of the foreign ministers was worse than the first, if anything.

And if the meeting dissolved in frustration a second time, no one could tell what would happen at Berlin.

In these circumstances, when all hope was fading at Geneva in mid-July, the idea of a White House invitation to Khrushchev acquired all sorts of new attraction.

Then Mr. Alsop after discussing that point for a moment continues:

Sober realism requires all the foregoing facts be borne in mind. When the American Government abandoned long-held views under Soviet pressure, it is an event worth noting. At the same time, these facts do not necessarily mean that the original Dulles-Eisenhower views about a second summit meeting were correct views, even in 1957.

Mr. President, I bring these matters to the attention of the Senate not in any critical sense, not for the purpose of denigrating anything the Vice President has done, and not for the purpose of criticizing the President for having agreed to a meeting with Mr. Khrushchev. I will say again, in a spirit of complete nonpartisanship, I think Mr. Nixon's trip on the whole was a success, and I think on the whole the President was wise to invite Mr. Khrushchev to the United States and to agree to go to Russia.

However, it is extremely important that we should keep our heads in this matter and not be rushed into a national feeling of over-rosy optimism and the thought that all the problems will now be solved if the two "great white fathers" can get together and talk casually in Washington, D.C., or in Moscow. I think it is of great importance that our friends on the other side of the aisle, in their natural enthusiasm over the political success which has resulted from the Vice President's trip to Russia and the enormous wave of relief which has crossed the country, since word came out that the President had abandoned the Dulles policy and was going to sit down and talk with Mr. Khrushchev, keep this in mind. I think it is very important indeed that we should not fail to remember this is a limited success, if it is a success at all. This is what the Russians wanted all the time. We are not one step further ahead in the solving of the difficult problems we have with Russia, as a result of the Vice President's visit. We have the same need we had before to tighten our belts, to strengthen our defenses, to start working in the field of disarmament, and to push ahead with more initiative than we are doing in terms of trying to create the basis for world peace through enforceable world law.

In other words, Mr. President, let us not use Mr. Nixon's trip and the Eisenhower-Khrushchev exchanges as the excuse to sit down under a tree and go to sleep.

Mr. President, I yield the floor

PROMOTION OF PEACE THROUGH REDUCTION OF ARMAMENTS

The Senate resumed the consideration of the concurrent resolution (S. Con. Res. 48) to promote peace through the reduction of armaments.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on agreeing to the concurrent resolution.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I am informed that a number of my colleagues have other engagements this afternoon. I therefore move that the Senate now stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 33 minutes p.m.) the Senate adjourned until tomorrow, Thursday, August 6, 1959, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate August 5, 1959:

U.S. CIRCUIT JUDGE

Paul C. Welck, of Ohio, to be U.S. circuit judge for the sixth circuit, vice Florence E. Allen, retiring.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 5, 1959

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Proverbs 16: 3: *Commit thy works unto the Lord and thy thoughts shall be established.*

O Thou God of all grace, we thank Thee for this moment of prayer, calling us together in the fellowship of adoration and praise, of penitence and confession, of supplication and intercession.

Grant that we may eagerly desire, rightly understand, and wisely pursue those ways of life which are well pleasing unto Thee.

Help us to aspire and strive continually to achieve that which is highest and best in character and conduct.

Inspire all men and nations to find their joy and blessedness in walking the highways of righteousness and peace, of good will and mutual trust.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On July 31, 1959:

H.R. 322. An act for the relief of Monmouth County, N.J.;

H.R. 1605. An act for the relief of Harry F. Lindall;

H.R. 6134. An act to amend the Federal Employees Pay Act of 1945 to eliminate the authority to charge to certain current appropriations or allotments the gross amount of the salary earnings of Federal employees

for certain pay periods occurring in part in previous fiscal years, and for other purposes; H.J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens;

H.J. Res. 353. Joint resolution to facilitate the admission into the United States of certain aliens; and

H.J. Res. 475. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1960, and for other purposes.

On August 4, 1959:

H.R. 306. An act to amend the Federal Crop Insurance Act;

H.R. 836. An act to amend the code of law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes;

H.R. 1631. An act for the relief of Joseph B. Kane, Jr.;

H.R. 3088. An act to amend sections 353 and 354 of the Immigration and Nationality Act;

H.R. 3117. An act for the relief of Albert J. Hicks;

H.R. 3249. An act for the relief of William S. Scott.

H.R. 4060. An act to eliminate all responsibility of the Government for fixing dates on which the period of limitation for filing suits against Miller Act payment bonds commences to run;

H.R. 4524. An act extending the time in which the Boston National Historic Sites Commission shall complete its work;

H.R. 4538. An act authorizing El Paso County, Tex., to construct, maintain, and operate a bridge across the Rio Grande at or near the city of El Paso, Tex.;

H.R. 5927. An act to authorize the conveyance to the city of Warner Robins, Ga., of about 29 acres of land comprising a part of Robins Air Force Base;

H.R. 6955. An act for the relief of Sallie B. Dickens; and

H.R. 7631. An act to amend the act of July 3, 1956 (70 Stat. 492), entitled "An act to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the prevention of waterfowl depredations, and for other purposes."

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6940. An act to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7454) entitled "An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1960, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to Senate amendments Nos. 8 and 40 to the foregoing bill.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled

"An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 60-2.

The message also announced the appointment of the Senator from New Mexico [Mr. ANDERSON] as an additional conferee on the bill (H.R. 7978) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1960, and for other purposes."

MY HOUR WITH HOFFA

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, last night at the Woodner Hotel I talked with Jimmie Hoffa for an hour. This morning's Washington Post reported the event:

So far as could be determined only one [Congressman] showed up at the Woodner, Representative CHARLES O. PORTER, Democrat, of Oregon. PORTER arrived after the meal had been served and sat at the head table next to Hoffa.

"I'm not at all ashamed to be here," said PORTER. "Mr. Hoffa is a very important public figure and I have been looking forward to a chance to talk to him."

The story goes on to say I said there were many teamsters in my congressional district and that I had been invited to the affair, where about 180 were present, by two secretary treasurers of locals there.

It is true that I told the Post reporter, "I am not the least bit ashamed to be here," but by itself that statement sounds as though I thought someone might think I should be ashamed. Someone apparently did think so but this did not appear in the story.

The someone was Hoffa. When the reporter came to the table at the end of the meal, he asked Hoffa if any Senators or Representatives were present. Without hesitation Hoffa told him none were there. I was sitting beside him and had been talking with him for more than an hour. He knew I was a Member of Congress and that my constituents who invited me were sitting across the table from me.

Apparently he thought I did not want the press to know that I was there and that I would sit quietly and condone his barefaced, however well-intentioned, lie. Instead I introduced myself to the reporter by name and office.

I am sure Hoffa's motives were friendly and that he had reason to think a Congressman might not want to be identified as the only legislator present on such an occasion, given the present feeling about Hoffa and his cronies.

My two constituents, Teamster officials from Oregon, had told me in my office late yesterday afternoon that I was listed as anti-Teamster and that they would appreciate my coming to the

Teamster meeting. The fact is, I am not anti-Teamster but I am anti-Hoffa in many respects.

I told them I had a dinner meeting I could not cancel but that I would drop by the Woodner later. I had no idea it would work out that I would be seated by Hoffa himself and have a chance to talk with him for more than an hour, but I welcomed the opportunity.

My first question was, "Are you discouraged?" I thought he might have reason to be. He emphatically denied that he was. "I do everything I can, then I see what happens and live with it," he told me.

Consulting his lawyer, Sidney Zagri, and his international vice president, Harold Gibbons, who were sitting beside us, he said their latest count showed that the Landrum-Griffin bill had enough votes for passage. They did not regard this as final and thought they would have a better count today.

I said I had been to six different meetings of Congressmen trying to learn about the legislation and its alternatives. I volunteered that I did not intend to vote for the Landrum-Griffin but for the Shelley bill, if offered as a substitute amendment, and, unless my close attention to the debate changed my mind, for the committee bill, assuming the Shelley amendment failed. The question, it seemed to me, was whether the committee bill did or did not do more harm than good.

"It will set labor back 15 years," Hoffa said, but he admitted that labor could live with the hot-cargo provision of the committee bill if the parenthetical words "other than his own employer," appearing on pages 69 and 70, were removed, a matter which I understand will be attempted in conference if it is not done first on the floor of the House.

Hoffa's real objection to the bill apparently is with reference to its provision on organizational picketing. He says an employer who recognizes as few as two members of a union in a plant of, say, 125 employees is protected from organizational picketing for 9 months. Zagri backed this contention. Congressman O'HARA, Democrat, of Michigan, however, tells me this is not true.

To my surprise Hoffa said he had no objection to the internal reform part of the committee bill, that is, the part that might be said to be dedicated to Jimmie Hoffa.

He did not bluster. The closest he came to threatening was his statement that all the Democratic Congressmen who voted for Taft-Hartley failed to win reelection except one, who was beaten the next time around.

"When the workingman gets hit here," he said, slapping his pocket, "he'll make his feelings known at the polls." I agreed with him on that and pointed out that this was the way our system was supposed to work.

In answer to a reference of mine to the disrepute of himself and his top colleagues he blamed it all on the newspapers and the commentators. He said he would be answering the Senate report issued yesterday. "Do you believe that the

Department of Justice is honest?" he asked. While I was still considering my reply he told me of a report he said they had just issued stating that most of the perjury cases referred by the McClellan committee were without basis. Hoffa told Gibbons to send me a copy.

I mentioned that his office—finally, after three requests of mine to Teamster officials—had sent me a copy of all their officers, elected or appointed, who had been convicted of felonies along with data as to what varieties and on what dates. He said he sent me the same list he gave the McClellan committee and that they had never criticized it. Senator KENNEDY wrote me the other day I would soon get an answer to my query to him, several months ago, about the veracity and completeness of the Hoffa list.

The great majority of teamsters are men trying to earn a living and trying, as they have every right to do, to improve and defend their lot in life. Aggressive, unscrupulous men like Hoffa come to the fore because the circumstances of their battle with employers call for his type.

Many people tend to forget that this is a labor-management reform bill, that the McClellan committee brought out a lot that was malodorous about employers. This is an area where Congress has to set up rules. We represent the people of the United States. We must see that the public interest prevails over the interests of any other group, whether it be big labor, big business, big military, or big Government.

A REASONABLE COMPROMISE ON THE LABOR-MANAGEMENT REFORM BILL

Mr. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I note by the press wires that the politicians have prevailed, and that the President will address the country tomorrow evening on the labor bill. I am informed also that the president of the AFL-CIO, Mr. Meany, will state his point of view on the airwaves tomorrow. In order to have a rounded picture of this issue, it seems to me the middle ground proposal, drafted by the House committee, should also be presented. I think everyone in this room agrees—and everyone in Washington knows—that there is one man in this city who knows full well that all vital legislation is the product of reasonable compromise by reasonable men. This man, too, knows a reasonable compromise when he sees one. I refer, of course, to Speaker RAYBURN, and I am demanding today that the networks grant him equal time to present the case for committee compromise—or to designate someone to speak on his behalf. Let us have all points of view presented to the country before this question reaches the House floor next week.

ADDITIONAL \$600 STATIONERY ALLOWANCE

Mr. SILER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SILER. Mr. Speaker, on July 27, House Resolution 314 was adopted, allowing each Member of the House an additional stationery allowance of \$600, retroactive to January 7, 1959.

Many of us were taken by surprise on this and would not have favored this increased compensation for ourselves if we had known the resolution was coming up.

I am now introducing my own resolution, House Resolution 336, that would allow any Member coming from a surplus labor or depressed economy area, like certain parts of my own district, to direct the Clerk of the House to draw on the extra \$600 allowance of July 27 by vouchers in favor of not more than three county school superintendents of the Member's district so that the entire extra allowance might be used to buy shoes or clothes for indigent schoolchildren in those counties of the Member's district and with no tax to be charged upon the amount of this allowance so used.

This is not a screwball proposal and I am in dead earnest on the subject and in complete sincerity about this entire matter. As soon as we pass my resolution, if I can prevail on you to do so, I will issue a written order directing the Clerk of the House to draw a voucher for \$200 out of my \$600 allowance in favor of the superintendent of schools of Harlan County, Ky., for shoes and clothes for indigent schoolchildren of that particular county and will immediately direct other vouchers for the remaining \$400 to be used in similar manner in other counties.

I was motivated to introduce my resolution by a very recent letter I received from a humble man, probably an unemployed coal miner of Harlan County, as follows:

Dear sir thought wood drop you a few lines concerning the school children in harlan county an in my home dist there will not bee many children that will bee able to go to school for the need of food and clothing So thought wood ask you for help an information how to get these children of the road an in school.

Yours truly

JOHN PATTERSON.

CRANKS, KY.

Mr. Speaker, I cannot imagine Congressmen from depressed areas like mine being indifferent to the serious needs of their children back home. Neither can I imagine Congressmen voting themselves \$600 extra compensation when so many lack so much right here in our own country. I would like to call on all depressed-area Congressmen to introduce resolutions similar to mine, and I would like to request the House Administration Committee to become as interested now in giving favorable consideration to my resolution as that same com-

mittee gave to House Resolution 314, allowing Members \$600 additional compensation on July 27.

THE LABOR BILL

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KILBURN. Mr. Speaker, I will vote for any strong labor bill. I feel that the big corporations of this country 60 years ago were running the country for their own benefit. Now the big labor unions are doing the same thing, and I want to curb their power. They have obtained from the hard-working, honest, labor union members an awful lot of money, and they are trying to swing elections with it for their own benefit.

The abuses that have been exposed are perfectly terrible for not only the people of this country, but for the honest, hard-working union member himself.

In talking to the labor leaders up in my section, I think they feel the same way. They are honest, hard-working men trying to improve the lot of their own members. They don't want any racketeering, and they don't like to see their own members milked for political benefit.

Of course, the Democrats are in control of this Congress by nearly 2 to 1, and this is a big problem facing our country. I hope that enough of them will recognize the welfare of our country and put a stop to the racketeers and the unfair practices engaged in by many labor leaders.

It has gotten to the point where the honest, hard-working union member who pays his dues and contributes his money should be protected from the arrogant, power-hungry people at the top.

I will vote for any bill that protects them and the country, but I certainly will vote against any watered-down, slap-on-the-wrist kind of a bill which the Democrats with their power and votes may possibly bring before the House.

ACREAGE HISTORY AND ALLOTMENTS

The SPEAKER. The unfinished business is the question: Will the House suspend the rules and pass the bill (H.R. 7740) to amend the Agricultural Adjustment Act of 1939, as amended, with respect to the preservation of acreage history and reallocation of unused cotton acreage allotments, as amended?

The Clerk read the title of the bill.

The SPEAKER. The question is: Will the House suspend the rules and pass the bill, as amended?

The question was taken; and on a division (demanded by Mr. HAGEN), there were—ayes 53, noes 7.

Mr. HAGEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—ayes 309, nays 90, not voting 35, as follows:

[Roll No. 123]

YEAS—309

Abbott	Dollinger	Lankford
Abernethy	Dorn, S.C.	Latta
Adair	Dowdy	Lennon
Addonizio	Downing	Lesinski
Albert	Doyle	Levering
Alexander	Dulski	Libonati
Alford	Durham	Loser
Alger	Edmondson	McCormack
Allen	Everett	McDowell
Andersen,	Evins	McFall
Minn.	Fallon	McGinley
Anderson,	Fascell	McGovern
Mont.	Fenton	McIntire
Andrews	Fisher	McMillan
Anfuso	Flood	McSweeney
Ashley	Flynn	Macdonald
Ashmore	Flynt	Mack, Ill.
Aspinall	Forand	Mack, Wash.
Avery	Ford	Madden
Ayres	Forrester	Magnuson
Bailey	Frelinghuysen	Mahon
Baker	Friedel	Matthews
Barden	Gallagher	May
Barrett	Garmatz	Meador
Bass, Tenn.	Gary	Metcalfe
Bates	Gathings	Meyer
Baumhart	George	Michel
Becker	Glaimo	Miller, Clem.
Beckworth	Glenn	Mills
Belcher	Granahan	Mitchell
Bennett, Fla.	Grant	Montoya
Betts	Gray	Moorhead
Blatnik	Green, Pa.	Morgan
Boggs	Griffin	Morris, N. Mex.
Boland	Griffiths	Morris, Okla.
Boiling	Gross	Multer
Bolton	Haley	Murphy
Bonner	Hall	Murray
Bow	Hardy	Natcher
Boykin	Hargis	Neisen
Brademas	Harmon	Nix
Bray	Harris	Norblad
Breeding	Harrison	Norrell
Brewster	Hays	O'Brien, Ill.
Brook	Healey	O'Brien, N.Y.
Brooks, La.	Hechler	O'Hara, Ill.
Brooks, Tex.	Hemphill	O'Hara, Mich.
Brown, Ga.	Henderson	O'Konski
Brown, Mo.	Herlong	O'Neill
Broyhill	Hoeven	Oliver
Budge	Hoffman, Ill.	Ostertag
Burdick	Hogan	Perkins
Burke, Ky.	Hollifield	Pfost
Burke, Mass.	Holland	Pilcher
Burleson	Holtzman	Pirnie
Byrne, Pa.	Huddleston	Poage
Byrnes, Wis.	Hull	Poff
Cannon	Ikard	Preston
Carter	Irwin	Price
Casey	Jarman	Prokop
Cederberg	Jennings	Quie
Celler	Jensen	Rains
Chelf	Johnson, Colo.	Randall
Chenoweth	Johnson, Md.	Reece, Tenn.
Chiperfield	Johnson, Wis.	Rees, Kans.
Clark	Jonas	Reuss
Coad	Jones, Ala.	Riehlman
Coffin	Jones, Mo.	Riley
Cohelan	Judd	Rivers, Alaska
Colmer	Karsten	Rivers, S.C.
Cook	Karth	Roberts
Cooley	Kasem	Rodino
Cramer	Kastenmeier	Rogers, Colo.
Cunningham	Kearns	Rogers, Fla.
Curtis, Mass.	Kee	Rogers, Mass.
Curtis, Mo.	Keith	Rogers, Tex.
Daddario	Kelly	Roosevelt
Dague	Keogh	Roush
Daniels	Kilday	Rutherford
Davis, Ga.	Kilgore	Santangelo
Davis, Tenn.	King, Calif.	St. George
Dawson	Kitchin	Saund
Delaney	Kluczyński	Schwengel
Dent	Kowalski	Scott
Denton	Laird	Selden
Diggs	Landrum	Shelley
Dingell	Lane	Sheppard
Dixon	Langen	Shipley

Short
Sikes
Siler
Slack
Smith, Iowa
Smith, Kans.
Smith, Miss.
Smith, Va.
Spence
Springer
Staggers
Steed
Stubblefield
Sullivan
Teague, Tex.
Teller

Thomas
Thompson, N.J.
Thompson, Tex.
Thompson, Wyo.
Thornberry
Toll
Trimble
Tuck
Udall
Van Pelt
Vinson
Wainwright
Wallhauser
Waiter
Wampler
Watts

Weaver
Weis
Wharton
Whitener
Whitten
Widnall
Wier
Willis
Winstead
Withrow
Wolf
Wright
Young
Zablocki
Zelenko

NAYS—90

Baldwin
Barr
Barry
Bass, N.H.
Bennett, Mich.
Bentley
Berry
Bosch
Boyle
Broomfield
Brown, Ohio
Bush
Cahill
Chamberlain
Church
Collier
Conte
Corbett
Curtin
Derounian
Derwinski
Devine
Dooley
Dorn, N.Y.
Dwyer
Farbstein
Feighan
Fino
Foley
Fulton
Gavin

Green, Oreg.
Gubser
Hagen
Halpern
Hess
Hiestand
Hoffman, Mich.
Holt
Horan
Hosmer
Johansen
Johnson, Calif.
Kilburn
King, Utah
Knox
Lafore
Lindsay
Lipscomb
McCulloch
McDonough
Mailliard
Marshall
Martin
Merrow
Miller
George P.
Miller, N.Y.
Milliken
Minshall
Moeller
Monagan

Moss
Mumma
Osmers
Pelly
Philbin
Pillion
Porter
Pucinski
Quigley
Ray
Rhodes, Ariz.
Rhodes, Pa.
Robison
Rostenkowski
Saylor
Schenck
Simpson, Ill.
Sisk
Smith, Calif.
Stratton
Taber
Teague, Calif.
Tollefson
Ullman
Vanik
Van Zandt
Wilson
Yates
Younger

NOT VOTING—35

Arends
Auchincloss
Baring
Blitch
Bowles
Buckley
Canfield
Carnahan
Donohue
Elliott
Fogarty
Fountain

Frazier
Goodell
Halleck
Hébert
Jackson
Kirwan
Machrowicz
Mason
Moore
Morrison
Moulder
Passman

Patman
Powell
Rabaut
Rooney
Scherer
Simpson, Pa.
Taylor
Thompson, La.
Utt
Westland
Williams

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Frazier and Mr. Williams for, with Mr. Fogarty against.

Mr. Arends and Mrs. Blitch for, with Mr. Jackson against.

Mr. Halleck and Mr. Carnahan for, with Mr. Taylor against.

Mr. Kirwan and Mr. Buckley for, with Mr. Simpson of Pennsylvania against.

Mr. Hébert and Mr. Fountain for, with Mr. Utt against.

Mr. Machrowicz and Mr. Morrison for, with Mr. Scherer against.

Mr. Rooney and Mr. Thompson of Louisiana for, with Mr. Auchincloss against.

Until further notice:

Mr. Baring with Mr. Canfield.
Mr. Powell with Mr. Westland.
Mr. Bowles with Mr. Moore.
Mr. Elliott with Mr. Mason.
Mr. Moulder with Mr. Goodell.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

Mr. GLENN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. BROOMFIELD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, I voted against H.R. 7740 because I am convinced that it will help perpetuate a situation in agriculture which is essentially wrong if this bill is permitted to become law.

What we need is a complete overhauling of our Nation's policies in respect to agriculture, not a patchwork job to try and correct one of many danger points.

We need to take a close look at our entire price support and farm subsidy operation. We need to start reducing our huge piles of surplus stocks which are growing larger by the minute. We need to stop the multi-billion-dollar annual outlays of tax money to pay for subsidies, price supports, and storage of goods which no one seems to want.

Only through elimination of the present program can this be accomplished. To attempt to hang on to an agriculture program simply because it is with us is folly.

We have ignored the fact that our farmers are producing more and more goods on less and less land. We are still tied to acreage restrictions as a means of holding down our surplus stocks. They have not worked, and they cannot work simply because the efficiency of the farmer has increased at least as rapidly in the past two decades as other portions of our economy.

We are dealing with streamlined farmers, with up-to-date methods of producing crops. We are dealing with new seeds, new fertilizers, new and revolutionary farm equipment.

To cope with this problem, we are using antiquated machinery of government which simply cannot by its very nature keep pace with these new developments. We are using restrictions and controls by Federal regulation when freedom should be our goal. We pile restriction on top of restriction when we should be trying to provide our farmers with the right to produce what he wants to the best of his ability.

We have seen valuable Federal projects curtailed because of the huge expenditures we must make just to keep this patchwork system of controls operating. We have seen our national debt increase and our interest payments rise. We have seen the price we must pay for storage and handling of our agriculture commodities alone rise to \$3,500,000 a day with the prospect that the cost will rise to \$4 million a day by 1963.

H.R. 7740 is another way of admitting that our present farm price support program does not work. Yet, instead of looking for a new solution to this problem, we are asked to compound this problem, to put up with another useless

appendage on a monster which seems quite capable of spending money, creating surpluses, but nothing else.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk a similar Senate bill, S. 1455, strike out all after the enacting clause of the Senate bill and insert the language of H.R. 7740 as passed.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection as follows:

"(c) (1) Notwithstanding any other provision of law, the owner or operator of a farm for which a farm acreage allotment for upland cotton of ten acres or less is established under the provisions of this section may rent, as provided in paragraphs (1) and (2) of this subsection, such allotment, or any portion thereof, to any other owner or operator of a farm in the same county for use in the same county on a farm for which the acreage allotment for upland cotton does not exceed fifty acres. As used in the foregoing sentence, the term "allotment" includes the allotment for the farm as increased by allotments rented under this subsection, but does not include any increase resulting from the election of choice (B) under section 102 of the Agricultural Act of 1949. When the operator of any farm on which a rented allotment is to be used has elected choice (A) or choice (B) with respect to any allotment for any year, that choice shall be applicable to all allotments used on all farms operated by him for such year, without regard to any election made by the operator of the farm from which any such allotment was rented. If the operator of the farm on which a rented allotment is to be used shall not have notified the county committee of his election within the time prescribed for such notification for farms within the county, he shall be deemed to have chosen choice (A).

"(2) Any such rental agreement shall be made on such terms and conditions, except as otherwise provided in this subsection, as the parties thereto agree: *Provided*, That no such agreement shall cover allotments made to any farm for a period in excess of one crop year, renewable each year.

"(3) No rental agreement shall be effective until a copy of such agreement is filed with the county committee of the county in which the acreage allotment is made.

"(4) The rental of any acreage allotment, or portion thereof, shall in no way affect the acreage allotment of the farm from which such acreage allotment, or portion thereof, is rented or the farm to which such acreage allotment, or portion thereof, is rented; and the amount of acreage of the acreage allotment rented shall be considered for purposes of future State, county, and farm acreage allotments to have been planted on the farm from which such acreage allotment was rented in the crop year specified in the lease.

"(5) Any farm acreage allotment, or portion thereof, rented under this subsection shall be multiplied by the per centum which the normal yield of the farm from which the acreage allotment, or portion thereof, is rented is of the normal yield of the farm to

which the acreage allotment, or portion thereof, is rented.

"(6) The acreage of crops requiring annual tillage on the farm from which any allotment is rented shall be reduced during the period covered by the rental agreement below the acreage normally devoted to such crops on such farm by an acreage equal to the acreage allotment transferred. The acreage normally devoted to such crops and the amount of the reduction therein required by this paragraph shall be determined by the county committee after taking crop rotation practices and other relevant factors into consideration, and the reduction shall be agreed to in writing by the owner and operator of the farm from which the allotment is rented before the rental agreement may be filed with the county committee. Any producer who knowingly and willfully harvests an acreage of crops requiring annual tillage in excess of that permitted by this paragraph shall be subject to a civil penalty equal to 150 per centum of the rental provided for by the rental agreement filed with the county committee. Such penalty shall be recoverable in a civil suit brought in the name of the United States.

"(7) This subsection shall apply to the crop years of 1959, 1960, and 1961 only.

"(8) The Secretary shall issue such regulations as are necessary to carry out the provisions of this subsection."

The SPEAKER. The Clerk will report the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: Strike out all after the enacting clause of S. 1455 and insert the provisions of H.R. 7740 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. COOLEY (by unanimous consent), the title was amended so as to read: "A bill to amend the Agricultural Adjustment Act of 1939, as amended, with respect to the preservation of acreage history and reallocation of unused cotton acreage allotments, as amended."

A motion to reconsider was laid on the table.

A similar House bill was laid on the table.

REPORT OF COMMISSION OF FINE ARTS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on House Administration:

To the Congress of the United States:

I transmit herewith for the information of the Congress the report of the Commission of Fine Arts of their activities during the period July 1, 1948, to June 30, 1954.

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, August 5, 1959.

LEGISLATIVE PROGRAM—ADJOURNMENT OVER

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, I have asked for this time in order to inquire of the distinguished majority leader as to the program for the remainder of this week and next week.

Mr. McCORMACK. There is no further program for this week. The House will meet tomorrow in order to adjourn over until Monday. Mr. Speaker, if the gentleman will yield for that purpose, I ask unanimous consent that when the House adjourns tomorrow, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I understand there may be a conference report on the atomic energy bill. The conferees have until midnight tonight to file a report, and in that event it may be brought up tomorrow.

The program for next week is as follows:

Monday is District Day. I understand there are six or seven bills to be reported out of the Committee on the District of Columbia, and they will be announced tomorrow, or in any event they will be in the RECORD and in the whip notice to the Members.

On Monday the military construction appropriation bill for 1960 will be considered.

If a rule is reported out on management-labor legislation, that bill will come up Tuesday next. That is the bill H.R. 8342. I think there is a strong probability that the rule will be reported out so that the bill will be in order, in which event consideration of the bill will start on Tuesday and continue on through until it is disposed of.

On Tuesday, the Private Calendar will be called. Of course, the Private Calendar will be called before the rule on the labor bill is called up.

Of course, the usual reservation is made that any further program will be announced later, and that conference reports can be called up at any time.

Mr. HOEVEN. I thank the gentleman.

REFERENCE OF H.R. 8437

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of the bill (H.R. 8437) to provide for the reinstatement and validation of the United States oil and gas lease BLM 028500, and that the bill be referred to the Committee on Interior and Insular Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REFERENCE OF H.R. 6860

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from the further consideration of the bill (H.R. 6860) to amend section 5(B)4 of the Federal Alcoholic

Administration Act, title 27, United States Code, section 205(b) (4), and that the bill be rereferred to the Committee on Ways and Means.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SOUTH DAKOTA NEEDS DROUGHT ASSISTANCE

Mr. McGOVERN. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. McGOVERN. Mr. Speaker, large sections of the State of South Dakota are gripped by severe drought conditions. A developing feed shortage poses a direct threat to farmers who may be forced to dispose of their herds unless assistance is forthcoming.

Gov. Ralph Herseth and the State disaster committee have requested that parts of the State be designated a disaster area so that Federal assistance may be available. We are now awaiting agreement by the Secretary of Agriculture, Mr. Benson, that South Dakota needs assistance.

I have urged the Secretary to make available at reduced prices surplus Government-held grain that is bulging from CCC bins and local storage facilities in the drought area. If the ever-normal granary program has any validity, this is certainly a clear-cut instance of where it should be fully used. It does not make sense to deny hard-pressed farmers feed stocks that are now deteriorating in bins at the public's expense.

The Mitchell Daily Republic has stated the case for drought assistance very well in an editorial of September 30, 1959, which I include at this point in the RECORD:

CCC CORN CAN HELP MEET DROUGHT CRISIS

For the third time in less than 2 months Gov. Ralph Herseth has appealed to Washington to have parts of South Dakota declared a drought disaster area.

The first application, made after it became obvious that hay and grass crops would be the poorest in years, was rejected. The second was made after a big share of the small grain crops became almost total losses. This time the verdict was that the Department wasn't quite ready to act.

Now, with our corn prospects shriveling with each hot, dry day he again has asked for relief. It should be granted and granted immediately or this State's economy may suffer a blow that will take years to regain.

The loss of a grain harvest, although a severe blow any year, need not be a long-range catastrophe. There's always another year and though debts may be piled up in the drought year they can be repaid in the immediate future.

The greatest threat to the economy is loss of livestock herds and if our farmers are forced to strip their stock holdings to the capacity of this year's harvest it will be many years before this segment of the wealth of the State can be brought back to present levels.

Few farmers want out-and-out grants from the Federal Government. Even fewer need such grants for most have the credit to carry their animals if the Government will make concessions on CCC stored grain held right here in the State.

An astute friend of ours—and a man who probably has sufficient feed and roughage to carry his stock for at least another year—suggested that this CCC grain could be made available on a basis of the current cash price here in South Dakota less freight to Minneapolis or Sioux City.

A look at the market page this morning shows that the current cash price No. 2 corn in Mitchell is approximately \$1.14. The freight between Mitchell and Minneapolis on a bushel of corn is approximately 18 cents and if our friend's formula were applied that would mean that under disaster provisions corn could be purchased on a need basis at 97 cents from the CCC bins.

Corn at this price would permit holding livestock and particularly the basic herds. In addition, some of the CCC commercial storage could be emptied at a savings to the Government of approximately 16 cents per bushel per year storage costs.

Such a program should have its safeguards. Need for the grain at this disaster price would have to be proved and individual sales be limited to immediate demand to prevent profiteering.

To us the proposal seems just and simple—probably too simple for Washington to accept even though it could save an economy from a long-range blow.

LABOR LEGISLATION

The SPEAKER. Under previous order of the House, the gentleman from Arizona [Mr. RHODES] is recognized for 60 minutes.

Mr. RHODES. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, if the schedule set forth is carried out next week, the House will be called upon to vote on a labor reform bill. It has been many weeks, Mr. Speaker, since first the proposition of a labor reform bill was considered. Many hearings have been held on the subject. On the other side of the Capitol, there was a special committee holding hearings on racketeering aspects of union operations and racketeering aspects of the relationship between labor and management and the manner in which the general public and the United States was being injured by improper practices in organized labor. As a result the other body has reported out and has passed a so-called labor reform bill. This bill does not have many of the features in it which many of us

feel it should have; it does not have many of the features in it which are indicated as a result of the hearings of the McClellan committee. However, the bill was passed by the other body with but one dissenting vote and was sent to the House of Representatives and referred to the Committee on Education and Labor.

After voluminous hearings, the Committee on Education and Labor has reported out a bill introduced by the very able gentleman from Alabama [Mr. ELLIOTT].

Two equally able members of that great committee have also introduced a bill, they being the gentleman from Georgia [Mr. LANDRUM] and the gentleman from Michigan [Mr. GRIFFIN]. When the subject is brought up before the House next week, Mr. Speaker, the Griffin-Landrum bill will be offered as a substitute for the Elliott bill.

It is my purpose today to try to discuss some of the needs for labor legislation and some of the features in these two bills in order that perhaps with the participation of other Members here present it will be possible for us to shed a little more light on a subject which certainly has received the glaring light of publicity for the past several months.

It was my privilege to be a member of the Committee on Education and Labor for the first 6 years of my congressional career. I want to pay tribute to the chairman of the committee, the gentleman from North Carolina [Mr. BARDEN], and to the gentleman from Pennsylvania [Mr. KEARNS], ranking minority member, and to all of the hard-working members of that fine body who have done so much and who have tried so hard to come up with a bill which will meet the needs of the country.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. KEARNS. I would like to tell the committee and the House that we miss the gentleman from Arizona very much on the Labor Committee. He was highly efficient and we always valued his services. We expect his support on the floor when the bill comes up.

Mr. RHODES of Arizona. I thank the gentleman from Pennsylvania and wish to assure him and other members of the Committee on Education and Labor with whom I worked so long that I miss their company and I will be with them when the labor legislation comes to the floor of the House.

The Griffin-Landrum bill actually has the support of more members of the Committee on Education and Labor than does the bill which was reported by the majority, if it is true that those who signed the various reports actually are in favor of the bill and report which they signed. It will be seen by the report that only five members of the Education and Labor Committee signed the majority report. Perhaps this has happened before in the Congress, but it has not happened at least as far as I know during the time I have been here.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield for a question?

Mr. RHODES of Arizona. I yield.

Mr. PUCINSKI. The gentleman is aware of the fact, is he not, that the gentleman and one of the sponsors of the Landrum-Griffin bill voted to report out the committee bill.

Mr. RHODES of Arizona. There were a great many Members who voted to bring out the committee bill, the Elliott bill, in order to get some labor legislation before the Congress. I certainly have no intention of castigating or even casting any aspersions on any Member who voted to bring out the committee bill. Certainly that is their right and their prerogative. It was an effort to get the bill to the floor for certainly we must pass some legislation on this subject before we adjourn.

Mr. PUCINSKI. I certainly agree with the gentleman on that.

Mr. RHODES of Arizona. I thank the gentleman.

Mr. Speaker, the Griffin-Landrum bill and the Kennedy-Ervin bill from the other body are characterized by some as harsher bills than the committee bill; and yet, Mr. Speaker, the leaders of organized labor do not even support the committee bill.

The committee bill is a watered-down version of the Kennedy-Ervin bill passed by the other body. It is primarily a bill which will require reporting of certain financial activities of unions, and not even all unions. There is a limitation which would exclude 70 percent of all the locals in the United States from even reporting their financial transactions if this bill becomes law. I do not know why, Mr. Speaker, it was felt that there is more evil in a big union than there is in a little union, or that all evil or all misdeeds must be confined to a big union. I think it is pretty well known that the president of the Teamsters Union, Mr. Hoffa, rose to power largely because of his manipulation of ghost unions, ghost locals, locals which were set up out of thin air to give the votes which were required for his rise to power. I think this certainly indicates that if it is necessary to regulate the affairs of one local in this country it is necessary to regulate the affairs of all locals. It is impossible to do away with many of the practices which have been exposed by the McClellan committee unless all locals are regulated equally and alike.

Another thing which the head of the Teamsters Union, and indeed I think many of the leaders of organized labor, is doing by the course he has taken, whether it is intended or not, is to make the committee bill look like a real tough, rough labor bill. It is not any such thing. In fact, I might say that Mr. Hoffa is trading on his own unpopularity. He is capitalizing on the unsavory things attached to his name in the public nostril. The public says that Hoffa is against the House labor bill, then this bill must have merit if Hoffa opposes it. I am amazed at how many people, even veteran members of the press, have fallen for this Hoffa strategy.

Mr. Hoffa knows that the Congress is not going to pass the Shelley substitute which he is pushing and which has been tagged by every newspaper as a Teamster-sponsored bill; yet his people are

walking through the Halls of Congress advocating its passage. Hoffa is casting the image of compromise and middle of the road on the House labor bill, an appellation which it does not deserve.

I can say right now, Mr. Speaker, if Mr. Hoffa had set out to cause the committee bill to be adopted by this House, he has taken a course of action which, in my opinion, is most likely to succeed in doing that very thing. Do not let him fool you. The committee bill is too weak to be distasteful to the leaders of labor. The bill which has been reported by the House Labor Committee represents a compromise, a compromise of the union members' rights. The union member is sold down the road by provisions which would allow no punishment for many criminals who are oppressing him at this time. He is completely ignored by provisions which would exempt 70 percent of the unions from reporting. It has been said, I think it is true, that if we pass this committee bill it will be a victory for the very people who have demonstrated by their actions in the past that they need regulation. This would be a light slap on the wrist for the people who for their own purposes are causing the great organized labor movement in this country to mean something which it never should have meant. It will be an indirect approbation of the activities of those people who have abused the laboring man and the organizations which were designed to protect and further his interests. It will be tacit condonation of blackmail picketing, illegal secondary boycotts, and hot-cargo clauses, because these ills are not corrected by the committee bill. It will be a mere frown in the direction of those who have converted the substance and the rights of the laboring man to their own uses. I hope it is not the best bill we can get.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The gentleman just remarked that 70 percent of the unions were exempt under the committee bill. Would it not be a little more accurate to say that all the unions in the country are covered by the bill, but there were some phases regarding reporting or accounting procedures and amounts that exempt a large number of the smaller locals? However, the Secretary of Labor can incorporate any of the locals into the reporting provisions of the committee bill if he wishes to do so.

Mr. HIESTAND. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from California.

Mr. HIESTAND. What the gentleman from Oklahoma states is literally correct. The bill has been so worded that those unions are exempt unless the Secretary of Labor with a lot of restrictions and a lot of investigations decides that he shall investigate someone. In other words, they are exempt unless.

Mr. EDMONDSON. I am informed by a committee member that 90 percent of

the membership of organized labor in the United States is covered by the reporting procedure, that what you have in the statistics furnished by the gentleman does not indicate 70 percent of the membership are excluded at all, but it does establish the fact that a number of the smaller locals in the United States are not required to make these regular audit reports unless the Secretary of Labor finds that their members are being deprived of information they are entitled to, at which time he can order them also to report.

Mr. HIESTAND. The statement of 90 percent is incorrect. The percentage is different. Although the larger number of membership would be definitely covered, the racketeering, the vast majority of it, which the gentleman from Oklahoma wants to help us cut out, is largely in these little unions, paper unions, and fake unions, and those would be clearly exempt.

Mr. EDMONDSON. I want to ask the gentleman if he is prepared to deny the statement which I made a moment ago that the Secretary of Labor can require reports from any union, of any size, anywhere in the United States under the terms of the committee bill if it is found that the members are not able to get the information regarding the books and the accounting of that union.

Mr. RHODES of Arizona. As far as the bill is concerned, and as far as the present general law is concerned, certainly the Secretary of Labor, if he feels that the rights of members are being tampered with, has the right to demand, by the laws already on the books, a report from the union members and the union locals concerning the matter.

Mr. EDMONDSON. The gentleman from California said that the gentleman from Oklahoma is interested in controlling this racketeering problem and to have a bill to do that. He is certainly right on that. Does the gentleman want to deny the statement the gentleman from Oklahoma made about the 90 percent membership being required to report under the committee bill? The gentleman did not give any figure himself. Is the gentleman prepared to contradict the figure that is in contention, of 90 percent, which I understand was the amount given to the committee?

Mr. HIESTAND. Mr. Speaker, if the gentleman will yield, the testimony showed 70 percent, not 90 percent.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield further on that point?

Mr. RHODES of Arizona. Yes.

Mr. EDMONDSON. As to the percentage of members required under the committee bill?

Mr. PUCINSKI. Mr. Speaker, if the gentleman will yield, I think that was misleading. Under the committee bill 70 percent of the organized labor would be excluded from the reporting provision, that is true, because the bill excludes unions under 200,000 or \$20,000 annual gross. And, I want to state here that the Secretary of Labor may lift that exclusion at his discretion, but that 70 percent of locals represents only between 10 and 12 percent of the total 17 million people in the unions in this country.

Mr. RHODES of Arizona. Does the gentleman from Illinois agree with me that all evil is not confined to large locals and that there can be evil in small locals?

Mr. PUCINSKI. The committee bill recognizes that fact. The committee bill provides that whenever the Secretary of Labor feels that the exclusion does not apply, he may lift that exclusion and force that union, with only 10 members, to comply with the law.

Mr. RHODES of Arizona. The gentleman is a member of the Committee on Education and Labor. How is the Secretary supposed to know that he ought to rescind these exclusions as regards a particular union? Is there any provision in this bill which directs locals to report to him information from which he can glean facts to base such a rescission?

Mr. PUCINSKI. The committee bill excludes the small unions. However, anybody can call the Secretary's attention to any violation going on in the small unions, and then he moves in and moves in very swiftly.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I know you will agree with me that I introduced the administration bill. Secretary of Labor, Mr. Mitchell, I think is the prime factor in drafting the bill, which excluded nobody. He wanted all members of unions with 200 or less to report, and any finances over \$20,000. Then they had to report if they had more than \$20,000 in their treasury; is that not correct?

Mr. PUCINSKI. The gentleman from Pennsylvania will recall when the Secretary testified before our committee he did make clear to the committee the tremendously difficult task that would confront him in trying to carry out the provisions of this act. On the other hand, the committee bill says that the small unions are excluded, but their exclusion can be lifted at his discretion whenever he feels there is grounds for it.

Mr. KEARNS. The Secretary was willing to take this responsibility and to execute the duties of his office as Secretary.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, it seems to me that with the passage of the committee bill we are going to leave the illusion before the public that we are really doing something in this area of labor racketeering when, in fact, we are not. I know that we reported a bill providing for reporting on welfare and pension funds. Those reports are coming in by the hundreds of thousands. We are going to have hundreds of thousands of other reports coming in under the reporting provisions of this legislation. We are going to have to have a file for them down in the office of the Secretary of Labor. As a matter of fact, I am a member of the Appropriations Subcommittee that handles that office and we are having trouble finding space for them. We have got to buy new files. There will not be enough men in the United States who can possibly go

through and look at all these reports. It will be impossible.

So, before we delude the American people into thinking that we have really done something in this area of racketeering that has been so forcefully brought out by Senator McCLELLAN and his committee in the other body, I think we are going to have to get some of the basic fundamentals of those things that are wrong in labor in the area of racketeering.

I notice that the gentleman is shaking his head. One case in my district is in the area of blackmail and organizational picketing. Until we face those issues, in my opinion, we might just as well have no labor bill at all.

Certainly no one denies, no thinking person denies the economic benefits that have accrued because of active and good and honorable union membership. If I were working in any of these areas I would belong to one of them myself. I think they have made a large contribution. But, just as we have had in industry antitrust provisions, we have got to have some kind of honest and sincere legislation.

I hope the gentleman will permit me to say this. I think in your district, and in your district, and I know in my district, there are organizers from these various unions going around. I think one of the problems today in organized labor is that these organizers are being hired like salesmen. They go out on a commission basis, almost; the more you sign up, the more money you make. That, in my opinion, does not constitute good unionism. They come to an employer and they say—and they do not even go to the employees—"We want to sign up your employees." I had an example of that about a month ago. In my district there is one man who has one company on one side of the road and an interest in another company on the other side of the road. This company had seven employees. What did he make? He made tile so that farmers could tile their front yards. About a year ago, a union came in and tried to organize them. It is my understanding that only one indicated any favor toward that particular union. About a year later, or some time later, another union came in and did organize them. So, immediately after that organization took place, a picket line went up. And it went up for what purpose? Assumedly for informational purposes. Are you going to tell me that is against the law?

Mr. PUCINSKI. If the gentleman will yield to me, I will not tell you that.

Mr. RHODES of Arizona. I yield to the gentleman.

Mr. PUCINSKI. On that very point that the gentleman raised, this committee bill is very explicit. It provides that where a union is recognized by an employer, with a bona fide contract, another union may not go in there and engage in organizational picketing. On the point of picketing, I would like to call the gentleman's attention to the fact that the committee bill does provide a very severe penalty in dealing with extortion picketing. It provides a \$10,000 fine or 20 years in jail for extortionist

picketing. Can the gentleman list any number of laws in this country that provide a 20-year jail sentence, for any crime? This bill deals very severely with extortionist picketing.

We hear a lot of speeches by people who apparently have not taken the trouble to read this bill.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield further?

Mr. RHODES of Arizona. I yield.

Mr. CEDERBERG. Extortion is illegal in any field. I am saying that any labor legislation that does not correct these abuses misses the mark. It is my understanding that this bill in the area of organizational picketing—and I am not a member of the committee, but I know that some abuses are taking place in some areas around the country, where people come in, even where they have a union, the first thing they do is to put up a picket line, assumedly for informational purposes, so that no one can come into the plant to deliver supplies or anything else. So that in effect, that business is out of business.

Let me say to the gentleman, don't worry about big unions. Don't worry about big business. General Electric, General Motors, Ford, anybody else of that kind, will take care of themselves. They will get along fine and they do get along fine in these areas. But it is the small businessman who is really having problems in this area, the man who employs 10 or 50 or 100 people. They are the ones who are really having the problems.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield further?

Mr. RHODES of Arizona. I yield.

Mr. PUCINSKI. Mr. Speaker, I should like to read to the gentleman a statement made by the counsel for the Senate Racketeering Committee on the "Jack Paar Show." He was asked:

Question. Management's guilty too?
Answer. There's not any question—management—some of the biggest companies and corporations in the United States set Dave Beck in his various financial deals.

Mr. CEDERBERG. I do not think two wrongs make a right. I deplore that just as much as I deplore anything else. If your law does not correct that, then it is not a good law either. I think you have to go into this whole area. As far as personalities are concerned whether it is Dave Beck or Jimmy Hoffa or whoever it might be, personalities come and go. This legislation to protect the average rank and file will be here a long time after we go and there is not one of us here who is not indispensable.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. EDMONDSON. I am not a member of the committee either, but it is my understanding that the substantial difference on the point of organizational picketing between the Landrum-Griffin bill and the committee bill is a matter of 3 months. You have a requirement that where there has been recognition of a union and a contract, under the committee bill there is a 9-month period that has to transpire before there can be organizational picketing. The

Landrum-Griffin bill imposes a 12-month period. Would the gentleman not say that that is a rather small difference on the question of organizational picketing?

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Georgia.

Mr. LANDRUM. I want to see if I understood the gentleman from Oklahoma correctly when he said the only difference between the alleged committee bill and the Landrum-Griffin bill on the point of organizational picketing was a matter of 3 months. Is that what the gentleman said?

Mr. EDMONDSON. My understanding as to the period involved in which organizational picketing is prohibited is that it is a 9-month period after a contract has been concluded, that is, in the committee bill. And there is a 12-month period under the Landrum-Griffin bill.

Mr. LANDRUM. If that is the gentleman's understanding, then he is completely misinformed about both bills.

Mr. EDMONDSON. Will the gentleman enlighten me on this point then.

Mr. LANDRUM. If the gentleman from Arizona will yield to me further, I will do so.

Mr. RHODES of Arizona. I yield.

Mr. LANDRUM. On the question of organizational picketing, the alleged committee bill restricts picketing in only one instance, and that is for a period of 9 months following a valid election. To that extent, the gentleman is correct in his information. The committee bill does restrict organizational picketing for a period of 9 months following a valid election. The present law restricts it for 12 months so the committee bill weakens the present law. Now as to the Landrum-Griffin substitute, the restriction against organizational picketing is effective in four instances. And these are the instances:

First. Organizational picketing is restricted by our substitute for a period of 12 months, just as the law does, following a valid election.

Second. It restricts it also, or rather it prohibits it also when the law has required the employer to recognize another union.

Third. It further restricts it when the picketing union cannot show a sufficient interest of employees, that is, where it has failed to gather at least 10 percent, or 3 out of 10 of the members cards.

Fourth. It prohibits it for a reasonable time, and we are bold enough to try to define what reasonable time is by saying that there shall be no picketing for a reasonable time, not to exceed 30 days, unless the petition for an election has been filed.

That is the difference between the two bills.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. CEDERBERG. I would just like to say it is a rare instance when I follow very many Democrats, but I want to follow the gentleman from Georgia [Mr. LANDRUM]. I want to say this further. The gentleman from Arkansas,

the head of the committee in the other body, who has done such a tremendous job, made a speech and I read his speech before the Press Club. If I read his speech correctly and I understand he is the authority for your party in this area, he knows about it and he has been handling this whole racketeering business for a long time, and he came out in favor of the bill of the gentleman from Georgia. He says it is a good bill. I am going to follow him. I think he knows what it is all about and I think the American people who have followed the news comments on this particular piece of legislation want it, and that is good enough for me.

Mr. RHODES of Arizona. Mr. Speaker, another field of picketing which the committee bill does not take into account and does nothing about is the field of so-called organization from the top. Organizing from the top occurs when a labor leader or a person who is an employee of a labor union goes to an employer and says in effect, "I want to organize your plant." Perhaps, the employer will say, "Then go see my men." The reply in the stock case is, "No, you go see them. You go sign up your men, and if you do not do it, we will picket your plant or we will use some of the other well known weapons." That is organization from the top. That is one of the most insidious pieces of labor machinations which could possibly be imagined. As I understand it, and as I read the committee bill, it does nothing whatsoever in this field.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. THOMPSON of New Jersey. Is the gentleman not talking about extortion picketing?

Mr. RHODES of Arizona. No, not the way I read the bill.

Mr. THOMPSON of New Jersey. I suggest that my distinguished friend, whose presence we miss very much on the committee, read the bill again because that is extortion picketing.

Mr. RHODES of Arizona. Then let us read the bill together.

Mr. THOMPSON of New Jersey. And with reference to the secondary boycott, the secondary boycott is already outlawed by the Taft-Hartley Act and the only loophole in it is covered in the committee's bill.

Mr. RHODES of Arizona. Let us read this extortionate picketing provision together. It reads:

It shall be unlawful to carry on picketing on or about the premises of an employer for the extortionate purpose of, or as part of any extortionate plan or conspiracy for the purpose of, taking or obtaining any money or other thing of value from any employer.

Mr. THOMPSON of New Jersey. What is the gentleman's hypothesis?

Mr. RHODES of Arizona. The hypothesis is that if you are taking money from an employer you may be extorting it from him. But that is not organization from the top. The organizer does not go to the employer and say, "Give me a thousand dollars"; he goes to the employer and says "You organize your employees for me." No law on extortionate

picketing could touch a situation such as this.

I do not think the gentleman wants to say that this language covers the case which I mentioned.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. PUCINSKI. On the point of organizational picketing, we have given it great consideration in our committee. I call the gentleman's attention to the fact that the National Labor Relations Board has ruled that where there is not a sufficient number of employees in the factory and a picket line is thrown around the factory this is no longer an expression of free speech but rather economic coercion.

This was the rule laid down by the NLRB. It was appealed. The U.S. Appellate Court threw the thing right out of the window and said that this is in line with the Constitution, that this is an expression of free speech.

Is the gentleman suggesting that we rewrite the Constitution, at least the way it is being interpreted by the courts of this country? That is the suggestion I leave with the gentleman.

Mr. RHODES of Arizona. I suggest that when substantially no one working in a plant wants it organized, the employer should not be pressured into insisting that his employees join any union.

Mr. THOMPSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Wyoming.

Mr. THOMPSON of Wyoming. I am just wondering if there is an effort to confuse being made here. If the gentleman does not mind, let us get back to this matter of the exemption of small unions. I am not a member of the committee, and yet some of the statements made gave the impression, at least to me, that all the individual union member in a small union had to do was to contact the Secretary of Labor and if he felt something ought to be looked into he would look into it promptly.

I suggest that this is a very important matter out in my area because we have a lot of people who are interested in protection by law, and a large number belong to small local unions of under 200 membership.

I have obtained a copy of the bill and this is the provision.

The small union is exempt "unless the Secretary determines after due notice and opportunity for hearing that the exemption of such labor organizations should be withdrawn, permanently or conditionally, because the membership of that labor organization has been denied the substantial equivalent of information required by subsection (b)"—that is a lawyer's dream. You are getting this involved in a field day for lawyers. This is very confusing. It is not a question of the Secretary feeling that something must be looked into. It is a provision for a legal hearing. No individual union member will have the resources or time to take it up. If he does he will be worn down and finally cut off and stopped by redtape, as happened in the Roy

Underwood case which I intend to mention later.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. EDMONDSON. I have the complete text of the committee bill before me, H.R. 8342. I hope the gentleman from Georgia [Mr. LANDRUM] is here at this moment, because he was positive in his statement that the only situation in which recognition picketing was dealt with in the committee bill was in a situation where an earlier election had been held, and for 9 months thereafter it was prohibited.

I read from page 70 of the committee bill, line 14, this provision:

Where the employer has recognized in accordance with this act any other labor organization.

That comes pretty close to being one of the situations that is covered by the Landrum-Griffin bill, so while I will admit to this body that I oversimplified and was partly in error in distinguishing between the two, I think my good friend from Georgia is also slightly in error, I am sure by inadvertence, in not giving the complete picture about the provisions on recognition picketing in the committee bill.

Mr. RHODES of Arizona. I do not pretend to defend the gentleman from Georgia, because he requires no defense from me or anyone else. However, I certainly would like to point out to the gentleman from Oklahoma that as I recall the remarks of the gentleman from Georgia they were not inconsistent with the provision the gentleman from Oklahoma mentioned.

I might point out to the gentleman that the section which he mentioned is a situation in which there is already a bargaining agent set up for a plant, and this is a provision of law or will be a provision of law which prohibits picketing in such a case. In other words, this would be a fight between two unions, and I am sure the RECORD will show that the gentleman from Georgia referred to this section in his remarks.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. GUBSER. I wonder if the gentleman could clear up this question for me: Assume that an organizational picket line exists in the case of a small business which would be illegal under either the committee bill or the Landrum-Griffin bill. Where could that small businessman go for relief from that illegal picket line? Is it true that under the committee bill he would have to go to the National Labor Relations Board? We know that under present circumstances he must wait 2 or 3 years for a hearing, whereas under the Landrum-Griffin bill he would have other avenues he could pursue.

Mr. RHODES of Arizona. The gentleman is speaking of the no man's land. That is brought about by extension of the preemption doctrine by the Supreme Court. The gentleman has stated the case as it is. Under the case which he gives, the small businessman now probably would have no form of relief

whatsoever because of the preemption doctrine. The committee bill is better than the present situation because it does give him some forum to go to, although it is an expensive one and far, far away. The Landrum-Griffin bill is much better, in that it provides a more accessible and readily available remedy.

Mr. GUBSER. The gentleman states the committee bill is an improvement. Does he not mean it is an improvement in the sense it defines jurisdiction, but as a practical matter if the NLRB cannot handle the case today how can it handle it tomorrow?

Mr. RHODES of Arizona. The gentleman is correct. That was the doctrine of the NLRB. It has been said that justice delayed is justice denied, which is true. For all practical purposes, the gentleman from California has stated the situation accurately.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I was interested in the point raised by the gentleman from Wyoming with regard to the exemption of unions. Is the gentleman aware of the fact that in one international union 86 percent of the total membership belongs to only 11 percent of the locals? In other words, 11 percent of the locals are so large that they encompass 86 percent of the membership. The other locals are extremely small. The officers are unpaid. They do the work on union affairs and union books at the kitchen table with the help of their wives or whoever they can get.

The committee faced realities and the consensus was at least there ought to be some reason before setting up a bureaucracy so large that there could not be any possible enforcement of the law. I might point out parenthetically, too, it is of interest to note that the committee bill that has been attacked here so vehemently by these people, and which was supposed to have been improved by the Landrum-Griffin bill, the Landrum-Griffin bill encompasses 88 of the 102 amendments adopted in the committee. It therefore seems to me that those who helped write the bill have been paid a large tribute by the authors of the Landrum-Griffin bill and by the present proponents of it. The fact of the matter is that there are three points of view in the House at the moment. There are those who would want perhaps too little legislation, there are those represented by the gentleman from Arizona, whose opinion I respect, who want too much; then there is the middle group who want a reasonable and effective bill. Anyone can stand up here and criticize technically these 72 pages, but the fact of the matter is that the committee did a prodigious job on this bill. It is a workable bill. It is not perfect. I doubt even the authors of the Landrum-Griffin bill, distinguished and unnamed though they are, contend that they have a flawless piece of legislation.

Mr. RHODES of Arizona. I thank the gentleman from New Jersey. I certainly hope he will realize in any remarks already made I have no intention of derogating from the long hours of work

which the committee put in or from their honesty and sincerity in attempting to bring a piece of workable legislation to the floor. My only purpose is to try to explore the area and to hold the cloth up against the form, if you will, to see whether or not it fits.

Mr. THOMPSON of New Jersey. I meant no inference that the gentleman was attacking any of us personally. The gentleman was a member of the Committee on Education and Labor for a long time. The fact he is not on it at the moment does not mean that he is not a student of this subject. I recognize that, but I am sure the gentleman realizes that the differences here are differences in degree, essentially. I have heard a lot of talk about the fact that in analyzing the committee's vote on the reporting of the bill, with the great number of additional and supplemental facts reflected in it, the fact was a majority of the committee did not vote for the bill. That is simply a point of view. I might suggest, too, that the Landrum-Griffin bill was not offered to the committee, and had it been, under no circumstances or by any combination that I am aware of could it possibly have gotten the 16 votes that the committee bill received. That does not mean that it does not have some merit. As a matter of fact, it might have. It is taken entirely from the committee bill. And, I love that. But I do not like the small percentage which is added.

Mr. RHODES of Arizona. The gentleman states that the difference between these bills is largely a difference of degree. The secondary boycott problem, and there is a problem, in spite of the fact that Taft-Hartley tried to cover it, is not mentioned in this bill. Now, I doubt if you could call the difference between nothing and something a difference of degree. In other words, my main quarrel with the committee bill is not what it does, but what it does not do.

Mr. THOMPSON of New Jersey. You say that the secondary boycott is not mentioned in the bill. In the first place, it is incorporated in the Taft-Hartley Act, and repetition of it in the bill would be redundant. In the second place, on page 68 of the committee bill, line 22, section 705, there is a reference to section 8(a) of the National Labor Relations Act, as amended, which relates to secondary boycott. That closes the loophole by eliminating the hot cargo, and it eliminates it effectively.

Mr. RHODES of Arizona. Is this the committee bill you are speaking of, or the Griffin-Landrum bill?

Mr. THOMPSON of New Jersey. Oh, not the Griffin-Landrum bill; the committee bill.

Mr. RHODES of Arizona. What page of the bill eliminates the hot cargo problem?

Mr. THOMPSON of New Jersey. Page 69, line 10, section 8(b), which is the secondary boycott section of the National Labor Relations Act, as amended, is amended by striking out, and so on:

(7) To enter into any contract or agreement, expressed or implied, with any employer who is a common carrier subject to

part II of the Interstate Commerce Act, whereby such employer ceases or refrains or agrees to cease or refrain from handling, using, or transporting any of the products of any other employer, or to cease doing business with same: *Provided*, That nothing in this paragraph shall be construed (A) to require any employee to enter upon the premises of an employer (other than his own employer) where such employer is engaged in a primary labor dispute, or (B) to invalidate a collective bargaining agreement which provides that such refusal shall not be cause for the discharge of such employee.

That is the hot cargo clause.

Mr. RHODES of Arizona. The gentleman from New Jersey knows that this is only a part of the hot cargo situation. In the hot cargo situation, as I understand it, a classical case would be where a union signed a contract with an employer stating that if the union so advised the employer, that the employer would not make his employees work on material from a plant which, for some reason, the union has blacklisted.

Mr. THOMPSON of New Jersey. Those clauses are in labor-management contracts.

Mr. RHODES of Arizona. That is true.

Mr. THOMPSON of New Jersey. And they would be outlawed.

Mr. RHODES of Arizona. I am sorry I must differ with the gentleman because obviously this wording deals only with contracts involving interstate commerce carriers.

Mr. THOMPSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Wyoming.

Mr. THOMPSON of Wyoming. I think the gentleman used the term "interstate carrier." In so doing, does he mean "common carrier"?

Mr. RHODES of Arizona. I mean common carrier in interstate commerce.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Florida.

Mr. CRAMER. Would the gentleman say that it is "nit picking" to reiterate the position that Senator McCLELLAN took with regard to the committee bill? Is it "nit picking" to say that the Landrum-Griffin bill more closely approximates the findings of the McClellan committee with regard to the areas of need for legislation in this field? Or would the gentleman say it is "nit picking" to suggest that the President of the United States said that he felt, in effect, that the Landrum-Griffin bill was a stronger bill and more closely approximated the recommendations of the President and the McClellan committee? Or would the gentleman say that it is "nit picking" to suggest that 70 percent of the paper local unions are not even covered under the committee bill when it comes to the matter of the making of financial reports? And I ask the gentleman if he thinks that the differences that have been expressed, particularly by Senator McCLELLAN, who has for so long had this matter under consideration, represents "nit picking"?

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield on that point?

Mr. RHODES of Arizona. I certainly do.

Mr. THOMPSON of New Jersey. Mr. Speaker, I do not think the gentleman from Florida [Mr. CRAMER] is aware of the fact that the Senator appeared before the joint subcommittees and in his testimony said categorically that even section 7, in his opinion, was not entirely necessary and could be eliminated. Section 7 is what the concentration of effort is on. Apparently there is a studious effort here to avoid the fact that the real essence of this bill is in the central sections of it which we will get to in debate on the floor. But the Senator from Arkansas appeared before the committee and said, "Let us take section 7 out, if you want to."

Mr. CRAMER. I am sure the gentleman from New Jersey read the statement that the Senator made, that a Member of the other body made—

Mr. THOMPSON of New Jersey. Which one?

Mr. CRAMER. The statement before the Press Club. Certainly the gentleman cannot say that the distinguished Senator, a Member of the other body, is not fully familiar with the subject and does not know what he is talking about, when he properly criticized the weak committee bill.

Mr. THOMPSON of New Jersey. With reference to the Member of the other body, I am not going to characterize him, but I do not think he nor any other individual is the repository of all knowledge on this subject. As a matter of fact, I would much rather listen to him before the committee of the House of Representatives than before television cameras up at the Press Club.

The SPEAKER. The Chair desires to interpose at this point and say that there is wide enough scope to discuss the various bills that will come before the House. I understand there will probably be two substitutes offered to the committee bill. I rather think it would be better to keep the names of Members of the other body out of this discussion. We have always tried, in the House at least, to preserve the comity between the two bodies and if we get to discussing individuals of the other body and their views, that will not be conducive to maintaining that comity between the two Houses, which we have had for a long, long time.

Mr. RHODES of Arizona. I thank the Speaker. Of course, the Speaker is absolutely correct in that when this bill or any other bill comes before the House, it is going to be a question of which is the better bill and a question for each Member to decide in the vote that he will cast.

Mr. HECHLER. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman.

Mr. HECHLER. Mr. Speaker, I want to congratulate my friend from Arizona who I think is making a great contribution in attempting to throw light on this complicated issue. In an attempt further to throw light on the issue I should like to quote from a statement made by Robert F. Kennedy when interviewed on a program on which I appeared. Mr. Ken-

nedy's remarks were made on a television broadcast which was filmed for various West Virginia stations and released this week. He said:

Well, I think that the bill that has been reported by the House committee is a very strong piece of legislation. I think, obviously, there can be some improvements on it, as there can be improvements on any legislation. But I think that it will deal in the six or seven major areas in which we have spent the most time in the 2½ years of investigations we have been conducting, so I think it is a strong piece of legislation.

This statement, coming as it does from the chief counsel of the committee which has investigated improper activities in labor-management relations, demonstrates conclusively that the House Labor Committee bill—the Elliott bill—is strong, effective legislation, which deserves the support of Congress.

I appreciate the courtesy of the gentleman from Arizona in yielding to me for the purpose of inserting this statement in the RECORD.

Mr. RHODES of Arizona. Mr. Speaker, I want to close with a few words concerning this general subject. If my mail is any criterion, the people of this country want a labor bill and they want a bill which will accomplish certain things. It is not going to be enough to go back home to your districts and say to the people, "We passed a labor bill." The people back home know of some of the abuses which exist under the present laws and which the present laws do not touch. If we pass a bill which is not effective and which does not operate in such a manner as to end these abuses, then each of us who is a Member of this body will be subject to criticism, and I think rightly subject to criticism. If any phase of American life has been held up to the harsh glare of publicity and of probing, then this particular phase has. There is not a Member of this body who can justly say that he does not have at his disposal the means of finding the truth about the need for legislation in this field.

I hope, Mr. Speaker, we will bring this bill to the floor of the House. I know there will be a debate, a good debate, and finally I hope the Members of the House will work their will. When they do so, I hope they will remember that there are a lot of people back home, some of whom have written letters but many of whom have not written letters, but all of whom are watching the results of this vote very carefully.

Mr. THOMPSON of Wyoming. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. THOMPSON of Wyoming. I would like to commend the gentleman from Arizona. The gentleman is rendering a very valuable service and is making a very definite contribution. All of us have not had the opportunity to study this as much as we should like, and, of course, we will do so before the bill comes up for consideration. But, I think we must be really careful that we do not give rights to union members in big print and take them away in the fine print, as the saying goes. In this

connection, I have again had very forcefully called to my attention the necessity of really serious consideration of this matter in the recent article that appeared in the Reader's Digest calling the attention of the Congress to consider the death of Roy Underwood.

Mr. Speaker, "Attention, Congress. Consider the Death of Roy Underwood." This is the title of the lead Reader's Digest article for August 1959. The article asks:

Is there no way to curb the powers of an evil union when they are turned against the members themselves? For 14 bitter, frustrating years this valiant union man tried to fight back—and finally gave up.

Roy Underwood, a crane operator, fought the corrupt union bosses of the Operating Engineers to gain individual rights for the rank and file of his union. What did Underwood want? Merely what you and I would want: the right to assemble, to speak freely; the right to elect those who will levy the dues; the right for redress against wrong.

Underwood even formed a committee for liberation of union members. When the Reader's Digest article's author, Lester Velie, first met Underwood in those early days, Underwood was full of fight and hope and crusading spirit. He even was not defeated when the international union president, Joe Fay, had his toughs beat up the committee joiners.

As a result of a courageous suit for self-rule, Underwood got to be head of his local. Then he was a marked man. Fay determined to get him and his free local. Fay was still all powerful even though he was now directing the union from prison.

During a strike, one of the big union bosses named Maloney grabbed local control out of Underwood's hands.

The big union board tried and fined Underwood \$3,500. Determined to crush out the last vestige of independent spirit, the board cracked down on the other dissenters in the local. It was like Hitler in Germany. Nevertheless, Underwood's crusaders spent great sums of their pay to take the fight to the NLRB. The union bosses were forcing management to fire many of Underwood's followers. But there was no way to prove it. So they gave up on the NLRB.

Underwood turned to the Federal courts. For 5 years he fought the \$15 million treasury of the big union. More and more, his financially destitute followers returned to the corrupt union to recant.

The upshot of the trial broke Underwood's heart. The judge sympathized, but concluded:

The courts do not look with favor upon interference by the courts in the internal workings of any . . . labor organization.

When Underwood came home, his wife said he looked like a licked man. The fight was gone from him. The bad men, the union gangsters, won in the long run.

Fay was out of prison, living on a \$10,000 union pension.

So, 14 years after Roy Underwood started his crusade for a labor bill of rights, he gave this advice to his young

son: "Never fight the rackets as I did. You cannot win." Later he wrote a note to his wife.

And then he shot himself. "Attention, Congress," Mr. Velie entitled this article.

And he closed the article this way:

AFL-CIO leaders argue that no written guarantees are needed to protect the rights of the union man. His own union constitution, enforceable as a contract in court, protects him, they say. This the life and death of Roy Underwood contradicted.

A bill of rights for the union man is urgently needed. How long will Americans stand by without establishing this protection?

Mr. Speaker, do our honest laboring men, like Roy Underwood, live under Soviet justice or American justice?

This Congress must decide.

On the one hand, there is the House committee labor bill. It would not provide the type of bill of rights that the senior Senator from Arkansas sponsored in the other body. Roy Underwood did not fight for a sweetener for the Fays, the Hoffas, and the Dios.

The committee bill would require a union member to exhaust union remedies for a 6-month period before bringing court action for relief.

Now, just what existing remedies were there in the operating engineers for the late Roy Underwood? None. Only punishment for seeking justice.

The committee bill loophole is that after the 6-month period, under the Taft-Hartley limitation rule, the NLRB bars charges.

So, the committee bill, in fact, allows no forum for relief—only red tape civil investigations against future violations. Even worse, the committee bill nullifies individual rights by removing penalties for their denial.

The bipartisan Landrum-Griffin substitute, on the contrary, provides the bill of rights teeth for which Underwood fought. A union member could seek immediate redress of basic rights, if not satisfied, after 4 months of union channels. The bill spells out the rights to vote, to free speech, to sue, to fair dues, to even-handed rules of discipline. The bill provides stringent criminal penalties for persons willfully violating members' rights by force and violence.

Mr. Speaker, the choice this Congress must make is between rights under Landrum-Griffin and no rights under the committee bill for those workers Underwood left behind.

Dare we choose "no rights" and prove that the late Roy Underwood's last disillusioned words to his son were, in fact, true?

Mr. Speaker, I think this entire situation certainly demands our most serious attention in the days and weeks ahead, and I intend to give it that attention and I am sure the other Members of the House will also. Much is at stake and most important along with the public interest are the rights of the individual workers of America. I again commend the gentleman from Arizona for his contribution.

Mr. RHODES of Arizona. I thank the gentleman.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. CEDERBERG. Mr. Speaker, I, too, want to commend the gentleman from Arizona for taking this time this afternoon to speak on this very important subject. Certainly, every Member of this body is going to give this matter very serious consideration. No one is going to impugn the motives of anyone else as to the action that anyone takes on this legislation. I just want to say that one other thing that disturbs me a little bit is when I read in the press that there are these pronoun forces and antiunion forces and so forth. So far as I am concerned, I yield to no one as far as being pronoun. I think unions have a very vital place on our economy, and they ought to stay here. But, there are certain regulations that should be promulgated for the best interests of the membership of these very unions. I think it is fitting to recall, as I was not here at that time, that when the Taft-Hartley Act was enacted, a great hue and cry went up about the damage that it was going to do to the honest trade union movement in this country. But, certainly, the facts are that since the Taft-Hartley law was enacted the unions have grown greater and have grown more powerful and they have gained for their members greater benefits than any other time in the history of the United States. Certainly, we should not be deluded into believing that legislation that is going to be considered by this body is going to do any damage to our trade union movement because I believe it is going to get to those areas that the hearings have brought out which need attention, and I think it is going to be in the best interest of management and labor and of the American people as a whole. We should face this thing honestly and squarely whichever way it comes up.

Mr. RHODES of Arizona. Mr. Speaker, I have heard it said that we have a government by minorities. I hope that is not true, and I believe it is not true. A minority is capable sometimes of making so much noise that it sounds like a majority. However, I think it behooves all Members of the House, as this question comes before us, to remember that there is a very great silent majority out in the country which will be watching this vote very carefully. They will also be watching the results obtained from any bill that we pass, their interest will continue not only next week or next month but for the years to come.

The majority is composed of all sorts of people. It is the rank and file members of the labor unions. It is composed of shopkeepers. It is composed of farmers. It is composed of housewives. It is composed of the wives of people who have been called out on strike whether they wanted to go out on strike or not. It is composed of a lot of just good, hard-thinking Americans who are getting sick and tired of having racketeers run roughshod over a very large segment of the population. They want us to do something constructive about it. I trust we will.

The SPEAKER. The time of the gentleman from Arizona has expired.

Mr. RHODES of Arizona. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Hiestand] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

WHERE ARE THE LIBERALS?

Mr. HIESTAND. Mr. Speaker, liberals are supposed to be for liberty. But the counterfeit liberals of the 86th Congress oppose liberty by opposing the Landrum-Griffin bill which would liberate millions of laboring men from labor bosses.

The House Labor Committee bill H.R. 8342 prescribes a sort of code of ethics for workingmen's rights, and then neatly arranges to nullify these rights by removing penalties for labor boss violators.

It would have been a low day in American history had the framers of our constitutional Bill of Rights added an 11th amendment nullifying the first 10.

The bipartisan Landrum-Griffin substitute H.R. 8400 follows the traditions of our constitutional Bill of Rights by spelling out rights and insuring that those rights can be enforced. Under the Landrum-Griffin bill the labor bosses cannot make a mockery of the workingman's rights of free speech, to vote, to sue, to fair dues, and to fair rules of discipline.

This bill defends the workingman by providing salutary criminal penalties against persons who willfully violate union members' rights.

Why are the counterfeit liberals against legislation which would protect working men and women against the power and intimidation of the labor bosses?

Can it be because of party politics? No—because the Landrum-Griffin bill is a bipartisan measure. Both sponsors have clearly placed country above party in writing this bill. They ask us to follow suit. They have employed all Members not to entangle this measure of statesmanship in partisan considerations. Thus we must look elsewhere to learn why the counterfeit liberals are selling out workingmen.

I suspect the reason is that they think labor boss financial support in the next election is more important than a bill of rights for the workingman. These liberals say they are pronoun, pro-labor. By that they really mean they are pro-labor boss, pro-labor boss campaign money, and antirank and file.

American traditions are robbed when these so-called liberals use the word. The hallmark of the patriotic liberals during our War for Independence was courage and sacrifice. They crusaded against the tyranny of George III. They did not become Benedict Arnolds and sell out to the richest buyer.

When the vote on the labor bill comes, millions of Americans can tell who are the Benedict Arnolds who have crossed over to the labor dictators and ignored

the welfare of millions of union men and women.

Mr. CRAMER. Mr. Speaker, the House Labor Committee bill would aid three times convicted labor racketeer, Johnny Dioguardi, alias Johnny Dio, in his ruthless drive to become the Hitler of the New York City Teamsters taxicab locals. The antireform, reactionary measures of this bill would weaken the Taft-Hartley Act by excluding about 70 percent of unions, including Dio's racket locals, from any financial reporting.

Passage of such a provision by the 86th Congress which would shelter this notorious criminal would be an outrage to the public.

Dio, close personal friend and lieutenant of Jimmy Hoffa, has served 5 years in Sing Sing Penitentiary. Recently, he was indicted for the acid blinding of labor news reporter, Victor Riesel. From a family marked by criminality, Dio's brothers have been arrested for assault, robbery, rape, and concealed weapons. Dio himself has become expert in crushing union democracy by manipulating phony paper locals and by passing Negroes and Puerto Ricans from one labor boss to another—as serfs were shipped about in medieval times.

To conduct his campaign of blackmail, extortion, hoodlumism, and persecution of even victims' families, Dio has collected some of the Nation's meanest criminal minds. Even Dave Beck was disgusted. Jimmy Hoffa, though, has been unswerving in support of Dio and was anxious to have him and his ilk in the Teamsters in the first place.

Dio's thug subordinates read like a rogues gallery.

Samuel Zakman was Dio's front man in getting his first union charter. Dio would consider Zakman a really high class criminal. Not only has he been convicted for conspiracy, extortion, and coercion, he was a former Communist Party member, a commissar during the Spanish Civil War, and Marxist trained in brutal methods.

Next in the gallery is Max Chester. He has pleaded guilty to charges of extortion and conspiracy. But perhaps Dio admires him the most for his unscrupulous ability to terrorize contracts out of employers by helping them to visualize their children being run over.

A Brooklyn machine shop owner, Paul Claude, described to the McClellan committee how Chester kept pushing him for a bigger and bigger payoff. Claude pathetically explained how Chester's every second sentence was "How are your children?" This was followed by the statement how children playing in the streets "get run over and things like that."

Claude fearfully talked to the police.

Replied the captain: "You have got to make a deal with them; you have to make some kind of deal with them because they are legitimate."

Mr. Speaker, let me break this astonishing dialog by saying that the House Labor Committee bill would keep the Chesters legitimate.

Soon Chester came back to visit Claude. Claude was terrified. Who would not think of moving to another part of New York to escape the mental

torture of this monster who demanded more and more money?

Putting his arm around Claude, Chester said: "You have got to pay us off because you are mine. No matter where you are going to move, you are mine."

Another notorious associate of Dio is "Tony Ducks" Corallo, described by the McClellan committee as a longtime kingpin in the New York narcotics and labor rackets. You might call "Tony Ducks" Dio's personnel manager who strove to add to his staff only men with exceptionally long criminal records. According to the McClellan report, Corallo, working with Dio, brought into positions of labor trust 40 men who represented a remarkable total of 178 arrests and 77 convictions. Naturally, this unsavory group, once installed in union jobs, immediately turned to extortion, bribery, and collusion with whatever management they could blackmail or tempt. Soon, 25 of them had racked up additional convictions or indictments for extortion, perjury, bribery, and forgery.

Now, let us observe how another Dio associate, when Dio was still in the UAW-AFL, handled financial matters. This rogues gallery member is fast-talking, devious Anthony Doria. When the McClellan committee questioned him on missing funds, Doria explained how he carried thousands of union dollars around in a little black box which he somehow lost in the Arizona hills. The committee felt that Doria was responsible for allowing known racketeers to abscond with \$396,000 of UAW-AFL funds.

When Dio left the UAW-AFL, Doria generously gave him a \$16,000 going-away present of union money. Dio graciously accepted.

Once Dio, backed by Jimmy Hoffa, calls from his entourage select crooks to rig elections, the union movement, instead of becoming the servant of the worker, flips into a Frankenstein monster to chain that worker an inescapable tyranny. Even though Dio supposedly resigned from the UAW-AFL in 1954, he retained control over many locals. Two years later, an election important to Jimmy Hoffa arose in New York Teamsters Joint Council 16. Hoffa saw a sure way for his candidate to win if some phony locals were suddenly chartered, since each local, regardless of membership, could cast seven votes.

Johnny Dio was on hand to furnish the ghost locals' officers from his practically defunct UAW-AFL locals. Five of the seven locals Dio transferred had no members, and some of the officers—many of whom had substantial criminal records—were not even told about their new positions. The whole fix has been described as a game of chess—with union members having no voice, no vote, only the dictatorial requirement to pay dues and the warning to ask no questions about the use and abuse of union funds.

These corrupt union bosses who control small locals and who have connived with unprincipled management to depress working conditions for the union members in return of payoffs—this racketeering scum would be exempt

from making financial reports under the House Labor Committee bill.

Mr. Speaker, we need legislation to stop Jimmy Hoffa, who, in order to get the Nation's economic hub, New York City, in a teamster vice, welcomed Dio's thugs into the labor movement. We need legislation to stop Dio—who is the suspected instigator of the blinding of Victor Riesel, and who is partner in crime to Hoffa's designs against the American public.

The House Labor Committee bill would allow these racketeers to enlarge their corruption. The bipartisan stop-Hoffa Landrum-Griffin bill, although a compromise measure, will require these racketeers to report on their union financial transactions and provide new methods of putting a halt to their activities. Although this would not clean up union racketeering entirely, it would furnish leverage to begin that cleanup.

Letters to this Congress clearly demonstrate that the public will is to stop Hoffa and Dio. The bipartisan and compromise Landrum-Griffin measure is the only measure before this body which will accomplish the will of the public.

The House Labor Committee bill will merely extend the reign of the Hoffa's and the Dio's.

And what American would not be outraged, astounded, and terrified when these racketeers threaten his children?

Mr. RHODES of Arizona. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks at this point if they so desire.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

FISCAL RESPONSIBILITY

The SPEAKER. Under previous order of the House, the gentleman from Colorado [Mr. JOHNSON] is recognized for 20 minutes.

Mr. JOHNSON of Colorado. Mr. Speaker, on the 23d of July I was back in my district, where we have a serious problem involving possible destruction of competition in the dairy industry through monopoly practices. I was, therefore, unable to be present during the floor discussion on fiscal responsibility by the gentleman from Missouri [Mr. CURTIS], or else I should have enjoyed hearing him and would have answered him directly, because his remarks specifically invited an answer and because his remarks specifically included comments with respect to my views.

The gentleman's argument proceeded along this line:

First. He supports the Treasury's request for an increase in the interest rate.

Second. Those of us who oppose the Treasury's request are making a political issue out of the matter.

Third. He believes that the Federal Reserve's policy of support for the Federal bond market resulted in inflation when it was tried and, therefore, if tried again it would result in inflation now, and, therefore, it would be disastrous.

Fourth. He further accuses us of encouraging deficit financing, because he charges it would mean more control for the Federal Government, and he seems to believe that that is what we want.

Fifth. Not content to end the argument there, he proceeds to argue that we who oppose the Treasury's request to raise interest rates are, in fact, advocating a controlled economy and suggests, therefore, that persons who oppose his view are Socialists, and he then suggests that we have been less than honest with the people. Indeed, says he:

The issue before us gets down to a fundamental question between those who believe in the private-enterprise system and those who believe in a system of socialism or Government planning, planned economy and Government control of these economic things.

Mr. Speaker, I cannot help but note the incongruity of my position. At a time when I am home defending the competitive free-enterprise system from being strangled by those enterprises who seek monopoly, I find that I am being attacked on the floor of the House with the false charge that I am a Socialist.

I regret that the gentleman indulged in personalities and did not give me the courtesy of an advanced warning of his intention to do so. I have given him notice of my intention to reply today. Let us review in turn the questions he has raised and quickly summarize my comments and views:

First. As to his support for the Treasury position, I would, of course, expect leading members of the minority party to support their administration's policy. We can, however, agree to disagree without indulging in name-calling and without challenging motives. But since the gentleman does challenge our motives and asks that we contradict him if this is not our motive, I am now flatly contradicting his imputation of motive.

Second. As to the controversy being political, one cannot debate a major issue of governmental policy advanced by the Republican administration before a Democratic Congress without having differences which can be said to be political. Inasmuch as the gentleman belongs to the minority party, and I belong to the majority party, one might say our differences are political. But it would be a gross misreading of the significance of the difference, to view this as merely partisanship. As an economist, I have sought the best that I know how to argue the merits of this issue regardless of politics. I would like to have replies to my views to be based on the merits of the argument not on our party labels.

Third. The charge that Federal Reserve support of a Federal bond market resulted in inflation or disaster is likewise a gross misreading of the history of the Federal Reserve and Treasury practice from 1940 to 1951. It is regrettable but true that wartime Congresses did not vote for taxes as high as hindsight would now indicate that they should have. Many of us who were there on the administrative side of Government strongly supported higher taxes at the time. However, Federal Reserve policy together with other economic stabilization policies

held the fort very well from October 1942 to V-J Day.

There was, to be sure, postwar inflation resulting from the piling up of family and business holding of Government bonds, which were near money, together with the removal of rationing and price controls in advance of the relaxation of inflationary pressures. These pressures had largely spent themselves by 1948 when Congress voted a sharp tax cut and overrode the President's veto, thus reinforcing inflation for one more year.

The mild recession of early 1949 was well on the way to recovery when the Korean incident began. In the 7 months following the crossing of the 38th parallel, there was created by the banks a billion dollars a month in new consumer credit. Congress had withdrawn from the Federal Reserve its previous power over consumer credit. Congress was home fighting the 1950 political wars. Congress did not give the Federal Reserve and other stabilizing powers the necessary powers until February 1951, by which time a new wave of wartime inflation was moving well along the road.

This history must be recited because it was against this backdrop of historic fact that the 1951 Federal Reserve-Treasury accord about support of Government bonds was reached. Federal deficits were not particularly high during the Korean incident, but private deficit spending was proceeding very rapidly, largely because the Federal Reserve and other monetary credit authorities could not or did not adequately inhibit the expansion of private deficit spending. The accord was therefore a relatively easy and quick way by which a change in Federal Reserve policy could be used to help stem an inflationary bank credit condition arising out of the hostilities in Korea. Reserve requirements were already high, and reducing Federal Reserve purchase of Government bonds was needed to help control bank credit expansion.

I submit that the charge that the policy followed from 1942 to 1951 resulted in disaster is not supported by the evidence and can only mislead those who are ignorant of American economic history. It will not mislead those who understand American economic history.

What about public deficit financing? The Subcommittee on Monetary, Credit, and Fiscal Policies of the Joint Economic Committee suggested in its report of January 23, 1950, what the policy ought to be:

We recommend that Federal fiscal policies be such as not only to avoid aggravating economic instability but also to make a positive and important contribution to stabilization, at the same time promoting equity and incentives in taxation and economy in expenditures. A policy based on the principle of an annually balanced budget regardless of fluctuations in the national income does not meet these tests; for, if actually followed, it would require drastic increases of tax rates or drastic reductions of Government expenditures during periods of deflation and unemployment, thereby aggravating the decline, and marked reductions of tax rates or increases of expenditures during periods of inflationary boom, thereby accentuating the inflation. A policy that will contribute to stability must produce a surplus of rev-

enues over expenditures in periods of high prosperity and comparatively full employment and a surplus of expenditures over revenues in periods of deflation and abnormally high unemployment. Such a policy must, however, be based on a recognition that there are limits to the effectiveness of fiscal policy because economic forecasting is highly imperfect at present and tax and expenditure policies under present procedures are very inflexible.

This report was signed by the gentleman from Texas, [Mr. PATMAN], on the part of the House. Thus his position was also misrepresented by the gentleman in his attack upon us.

Fourth. During a period of recession only the Federal Government can have an effective kind of countercyclical fiscal policy. The action of business and consumer will necessarily reinforce the cycle in whatever direction it is moving. Public deficits are therefore a constructive way of fighting a recession. Similarly, public surpluses are an effective and desirable way of fighting inflation. I do and always will support public surpluses during a period of inflation.

The present time is indeed a time to be helping to pay off part of the Federal debt assuming that the present recovery continues at its present rate. I was opposed to the tax cut in 1948. I was opposed to the tax cut in 1954; and I would oppose a tax cut now. I profoundly regret that the gentleman has seen fit to suggest in total error, that this Member of Congress advises deficits on all occasions.

I also regret that some of the people on the other side, who oppose deficits when we need them, are the same people who vote tax cuts when we should not have them. Members of the minority party were glad to vote for a tax cut on this floor just a few months ago and were glad to do so without a rollcall vote so that their budget-busting action would not be on their voting records.

Fifth. As to Government control, perhaps the essential difference between the Republican and Democratic Parties is that the Democratic Party is not ashamed to use government as a piece of machinery created by the people that can properly be used upon proper occasion to resolve certain essential problems of the human race. It should be noted that the Republican Party upon occasion is also willing to use government, but they are always a little ashamed to have to do so.

If I were truly an Anarchist, I would join the Republican Party, but I believe in government. That is why I am a Democrat, but that does not make me a Socialist and it does not make any other Democrat a Socialist. And I am not a Socialist.

It seems to me that reasonable men should be able to differ with respect to how much and what kind of government action should be taken in a given situation without stooping to name-calling.

Mr. Speaker, I regret that I have been forced to set the record straight in this manner. I would prefer that the orderly processes of the debate on the merits of each issue would be the manner in which each of us would proceed. I have sought

in the past, and will seek in the future, to confine myself to a discussion of the rationale and the merits of issues facing this Government.

On this particular occasion, however, the gentleman in making his remarks, at several points specifically requested that if we disagree, we should speak up in order that the record may be clear. Let the record, therefore, be clear.

I am for combatting inflation. I am for fiscal integrity. I am concerned that prices be kept down, including the price of money. I will support a full-blown anti-inflation program, not only by my vote but by my voice, but I will not be deceived, deluded, or driven into supporting the wrong half of an anti-inflation program by wild or reckless charges.

WHAT'S ALL THE HURRY ABOUT?— LET'S TAKE TIME TO PLAY FAIR WITH OUR RESERVE AND REGU- LAR NAVY, MARINE CORPS, AND COAST GUARD OFFICERS

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 10 minutes.

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, I desire to speak for just a few moments in behalf of some of our Regular officers, and more particularly in behalf of our loyal Reserve officers who constitute the real strength of our military power.

Last week this House adopted with virtually no debate a revised version of the so-called Navy hump legislation, originally adopted by this House and subsequently amended and adopted by the other body. As a member of the Committee on Armed Services of this body I have had the honor to be a member of the subcommittee which originally considered this Navy hump legislation. Like other members of the committee, I faced this legislation as an unpleasant but necessary responsibility because it involved forcing into retirement many loyal officers who had served our country well in time of war and who had previously been given to understand, under the Officer Personnel Act, that they could look forward to some specified period of military service. As was mentioned in the debate on the floor at the time, this hump legislation represented at least to some extent a breaking of faith with these officers by our Government. True enough, our action was taken in the best interest of the service; and yet we recognized that we were working a hardship on these officers by including in the legislation a cash bonus for those forced to retire prematurely under its provision.

Some of those officers who were likely to be affected by the hump legislation at least consoled themselves with the thought that in addition to this small

separation bonus which had been made available by the House, there was also the prospect of promotion upon retirement to the next higher grade under the provisions of the Navy's long-standing so-called tombstone promotion arrangement whereby officers who have been specially commended for performance in actual combat are allowed to accept promotion on retirement to the next higher grade with the proviso that no increase in pay be included.

Mr. Speaker, when this hump legislation came up in the other body, they not only made a substantial reduction in the separation bonus provided for officers who were to be separated, but they also took away from the Navy, the Marine Corps and the Coast Guard this tombstone promotion feature which has been a part of the basic law since 1925. Almost overnight, a tradition of 34 years' standing, which has been a part of the thinking and the planning of Navy and Marine Corps officers over the years, Reserve officers as well as regulars, was wiped out by the other body, effective November 1 of this year. In other words, the Reserve officers as well as the regulars were told, "either forget about your tombstone promotion, or get out of the service before November 1." It was just as blunt as that in the bill.

Now, since promotion must be processed and approved at least a month in advance of the effective date, this means that a basic career decision must be made within the next few weeks by officers affected, including hundreds of Reservists not connected at all, Mr. Speaker, with the original hump legislation, a decision that could very well affect their whole lives.

Mr. Speaker, this provision deleting the tombstone promotion arrangement so abruptly is unnecessary and unfair, and it was not even discussed in the subcommittee of the Committee on Armed Services when we originally considered the hump legislation. In fact the matter had scarcely any debate on the floor when it came back the other day from the other body. Indeed, the other body had only adopted the legislation the night before we acted.

At the present time, Mr. Speaker, this hump legislation is on the President's desk awaiting signature into law. I know how urgently the Navy feels about the need for the hump legislation, and I fully appreciate the tenor of this body and of the other body in regard to any indefinite continuation of this so-called tombstone promotion feature. Personally I think we would have been a lot wiser to allow this provision of law to taper off gradually, while those who are directly affected as a result of their combat service in World War II move up toward retirement. But I recognize that this is no longer possible. Nevertheless, I do feel very strongly that we have acted too hastily in fixing a deadline only some 3 months in the future for a law that has been in effect and in operation for the past 34 years. I appeal to Members of this House therefore to support the legislation which the gentleman from Alabama [Mr. HUBLESTON] and I have just introduced to pro-

vide for a fair and reasonable extension of this November 1 deadline until July 2, 1960.

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the very able and distinguished gentleman from South Carolina, the chairman of the Subcommittee on Reserve Activities of the House Armed Services Committee.

Mr. RIVERS of South Carolina. Mr. Speaker, I want to compliment the gentleman for his observations and his efforts with regard to righting this wrong which I think was unwittingly forced on this body. Our committee was in the unfortunate position of having an ultimatum tendered on us this hump legislation. We were in a very tough position, as the gentleman understands. I do not know what else we could do. But the fact remains that what we did do—this body and the other body—was not right.

It may not have been tenable for the Navy to have a tombstone concept and the Army and the Air Force not to have it. But the way we repealed it was not in keeping with what these men and women thought was coming to them. The effect on the morale of the Regular Marine and Regular Navy officer and the Reserve Marine and Reserve Navy officer will be very serious. I have not discussed this with many people, but I have enough experience to know that the way we went about this was not right; we cut these people off by saying to them, "You have come to a hump as a result of World War II and the Korean conflict and we have got to phase you out with this hump legislation overnight." Not only that, but we said to them, "We are going to deny you your hump promotion."

I call that giving them the one-two punch. And I hope there may be some way whereby we can phase them out in an orderly way. I realize that if we cannot give it to all the services we should not give it to any one service. But the way we went about it was a mistake; I am convinced of that. I think we did not keep faith with the officers, the way it was done. I think the gentleman from Texas [Mr. KILDAY], who handled the bill, had no alternative because of the ultimatum that was delivered to the committee, and because of the urgency of this hump legislation. But I, like the gentleman from New York, lament the way it was done. I am sorry that we had that ultimatum given to us, and if I have the opportunity I shall do what I can to see that this phasing out, if it has to be done, is done in a more orderly fashion.

I think the gentleman is rendering a great service.

Mr. STRATTON. Mr. Speaker, I thank the gentleman from South Carolina for his remarks, because I know that he is an expert in this field, and I welcome his support of the legislation which the gentleman from Alabama [Mr. HUBLESTON] and I have introduced. I know that the gentleman from South Carolina is a very highly respected and influential member of this body, and whenever it comes to matters affecting

our armed services and their Reserve components his suggestions and recommendations carry great weight and influence, not only in this body but also in the other body at the other end of the Capitol, where the decision to eliminate the so-called "tombstone" promotion feature first originated. His support will be most helpful to our cause.

Mr. Speaker, this action of Congress in adopting such an abrupt termination date for the so-called tombstone promotion arrangement has been not only an unfair and unexpected blow for our loyal Regular and Reserve officers, but, judging from the information that has come to my attention, the effect of this action could well be disastrous to our Regular and Reserve forces alike. Indeed I predict that it will create a wholesale scramble for retirement among both Regular and Reserve officers within the next 2 months that could seriously impair the effectiveness and morale of our seagoing forces as well as our able and efficient Reserve components. Many of our Naval, Marine Corps, and Coast Guard officers are serving at sea or at distant posts overseas. It will take them some time even to get the word with regard to this latest action taken by the Congress. In some cases they will be unable to come home to consult with their wives and their families before making a momentous career decision. In those cases where officers elect to retire prior to the November 1 deadline, there is a likelihood that key officers will be lost in important establishments on shore or at sea at a time when the seagoing services can ill afford to lose them and before trained replacements can be found.

The same thing will be true of our Reserve units. Officers who have loyally remained on duty with Reserve organizations to provide the leadership and training needed for younger officers coming in may now be prompted to retire hastily from their Reserve units rather than lose this small bit of recognition which they have been looking forward to as representative of their service during time of war. Indeed many of our reservists may not even learn of this action by Congress in time to take appropriate action of their own on it, because the word travels slowly when you are not on active duty. Some of them may not even know in fact whether they qualify for such promotion at all.

Let us remember, too, Mr. Speaker, that those who are now being directly affected by this hasty action of the Congress are in most cases the real combat heroes of our wartime operations, thousands of them our reservist citizen sailors and marines of World War II. Those who have retired previously and have already taken advantage of the tombstone law are in many cases officers who held high rank at the time of their wartime duty. But those who are today looking forward to retirement in the future are the ones who won their commendations as ensigns or as lieutenants in the Navy or the Naval Reserve or as lieutenants in the Marine Corps. That is to say, these are the men who really

flew the planes and moved into battle face to face with the enemy. These, my friends, are the very men that we have now repudiated by our hasty action. Let us think about that.

In the words of the Washington Post, which commented editorially on this subject yesterday:

The system has been in effect for 34 years, and so abrupt an end to it seems quite unfair. * * * Perhaps it is not too late for some remedial action either Presidential veto or reconsideration by Congress on its own. * * * No one could be hurt by allowing the practice to linger and die later when few would be affected; many may be hurt by the precipitate, unheralded change in the rules which Congress has decreed.

Mr. Speaker, the legislation offered by the gentleman from Alabama [Mr. HUNDLESTON] and myself would, as I have said, only extend the November 1 deadline adopted by this body so abruptly and with so little discussion a few days ago to July 2, 1960. Our bill does not perpetuate the tombstone provision unduly, and so we meet the objection of those in other services who have felt that this provision for the sea services exclusively was unfair. At the same time it does the very least that we ought to do to recognize the complex nature of the problem of those officers who will be affected by this decision and who have every right to expect the Congress to treat them fairly. It gives the services ample time to inform their Reserve officers of their rights under the law and gives these officers in turn reasonable time to make their important decision. By this legislation we can at least cushion the heavy impact of the legislation not only on the regular Navy but especially on our Reserve forces which we have worked so hard in the past to build up.

I therefore urge in the interest of orderly and fair procedure, that this corrective and remedial legislation which we have introduced today be enacted quickly into law. Since there is no need for haste in dealing with the tombstone matter let us play fair with our Reserves who are not even involved in the hump proposal but who now stand to suffer from it unless Congress acts promptly to right the wrong we have done.

Mr. Speaker, under leave to extend my remarks, I include an article from the Washington Post, dated August 3, an editorial from that same newspaper, dated August 4, a resolution adopted last year by the Naval Reserve Association, a letter from the Naval Reserve Association and a telegram which the Naval Reserve Association dispatched yesterday to the President of the United States:

[From the Washington Post and Times Herald, Aug. 3, 1959]

RETIREMENT PROMOTION BAN AROUSES NAVY MEN

Legislation, quietly slipped through Congress last week, abolishing future "tombstone promotions" for combat-decorated Navy, Marine Corps, and Coast Guard senior officers, has stirred up a hornet's nest of official and personal problems.

More than 4,000 officers commended for performance of duty in combat during World War II will lose the right to an advancement in rank on retirement, effective November 1,

and an expected flood of applications to get in under the wire already has started.

The replacement of a sizable number of key officers afloat and ashore in coming weeks can mean administrative headaches and confusion. But the real troubles are morale and personal and interservice problems.

Hundreds of ranking Navy and Coast Guard captains and Marine colonels who have been looking forward to retirement within the next 2 or 3 years, and honorary advancement to rear admiral or brigadier general under a 34-year-old law, now must make a quick decision.

Shall they take their promotion and quit now, or pass it up and serve as long as they can?

If they retire immediately, that "tombstone promotion"—so-called because no added pay goes with it, only the prestige of being called admiral or general and putting it on a headstone—might help in getting a job.

But few of those affected have job offers waiting or have made the countless other financial and family readjustments that retirement brings. On top of this dilemma, there is a great deal of bitterness about what is considered bad faith on the part of the Government.

Men who have proudly served their country feel the sudden withdrawal of what they consider an earned promotion right is a shabby reward for long and faithful service.

Along with it is resentment against the Army and Air Force, which is not helping unification or interservice relations. For rightly or wrongly, most people in the Navy blame some of their brother officers in the land and air arms for what happened. The "tombstone" law has never applied to the Army and Air Force, despite long efforts by individuals to make it generally applicable.

But top Pentagon officials opposed its extension, and Navy men believed Army-Air Force officers lobbied for its repeal.

During the very brief Senate hearing on the repeal amendment, Assistant Navy Secretary Richard Jackson agreed that the law was discriminatory but urged that it be allowed to expire by passage of time, when all World War II battle-commended officers retire.

Data furnished Senators indicated that there were more than 4,000 officers now on the active list who might qualify for a promotion under the "tombstone" law, of which perhaps 1,300 might reach the rank of rear admiral or brigadier general that way.

It was brought out that 1,222 of the 1,680 Navy retired flag officers are "tombstone admirals," and that 169 of 287 retired Marine generals never served as such in active service.

Opponents declared that many of those advanced or eligible for it were not authentic war heroes, but qualified by reason of winning lesser awards for performance of duty in combat.

Adding to the present Navy difficulties about the bill, now awaiting expected Presidential approval, is the short deadline allowed. Congress thought it was allowing a 3-month period of grace by making it effective November 1, but a quirk of existing retirement laws apparently requires all application for retirement to be made and fully processed by September 30. Personnel officials have asked for a legal ruling on whether this can be extended.

Officials say that about two dozen officers put in for retirement in the first couple of days after congressional action. Under the Navy-sponsored bill to which the repealer was attached—providing for the weeding out of older officers to make way for the delayed advancement of younger ones—a "plucking board" will meet here this month. Applications for voluntary retirement may step up greatly after this board determines who can stay and who must go.

[From the Washington Post, Aug. 4, 1959]

WHAT'S THE RUSH?

Arbitrary, if not capricious, is the word for the hasty congressional action which would deny some 4,000 combat-decorated Navy, Marine, and Coast Guard officers the usual honorary promotion (without pay) upon their retirement from the service. These tombstone promotions, so called, may be worth very little to most of the recipients except for the prestige, although some believe they can land a better civilian job with the title of say, "Admiral" or "General" in place of "Captain" or "Colonel." Moreover, Air Force and Army officers do not receive retirement promotions of this kind—and it appears that these gentlemen may have had something to do with pushing the repeal of the privilege for their brother officers through Congress. But the system has been in effect for 34 years, and so abrupt an end to it seems quite unfair.

We agree that the discrimination ought not to be perpetuated. Certainly if there were a situation which created new eligibles for tombstone honors, all officers ought to be treated equally. But might it not have been less harsh to let the present practice die out naturally, as the Navy urged? Perhaps it is not too late for some remedial action—either Presidential veto or reconsideration by Congress on its own. Wisely or not, many officers are said to be contemplating earlier retirement to get in ahead of the repeal, and the result can only be to disrupt and inconvenience the lives of many who have served their country long and well. No one could be hurt by allowing the practice to linger and die later when few would be affected; many may be hurt by the precipitate, unheralded change in the rules which Congress has decreed.

RESOLUTION ADOPTED OCTOBER 25, 1958, AT THE FIFTH ANNUAL CONFERENCE OF THE NAVAL RESERVE ASSOCIATION, FORT WAYNE, IND.

NRA RESOLUTION NO. 24-58—ADVANCEMENT IN RANK UPON RETIREMENT TO OFFICERS HOLDING COMBAT COMMENDATIONS OR DECORATIONS

Whereas a decoration received for action in combat is the most prized and usually the most deserved; and

Whereas the promotions which have been made after retirement of all officers who received combat decorations are honorary promotions and carry no increase in retired pay; and

Whereas it is discretionary whether officers called to active duty are given the rank held immediately prior to retirement or the rank advanced after retirement; and

Whereas it has recently been suggested and recommended by various groups, both in and out of the military, that legislation be introduced into the next Congress which, if enacted, would prohibit the advancement of officers upon retirement who hold combat decorations to the next higher grade; Now, therefore, the Naval Reserve Association in conference assembled at Fort Wayne, Ind., this 25th day of October 1958, does upon motion duly made, seconded, and carried, resolve that the Naval Reserve Association does strongly support the advancement after retirement of all officers holding combat commendations or decorations and vigorously opposes any attempt or effort to amend the present law so as to deny such advancement upon retirement to any officer holding a combat commendation or decoration.

NAVAL RESERVE ASSOCIATION,

Washington, D.C., July 28, 1959.

To all Members of the Armed Services Committee, U.S. House of Representatives, House Office Building, Washington, D.C.:

Your committee chairman holds the following night letter dated July 27, 1959:

"The Naval Reserve Association has been informed that H.R. 4413 has been amended

by the Senate Armed Services Committee to repeal the authority now granted the Navy to advance in rank upon retirement officers holding combat commendations or decorations. The association unalterably opposes any change in this provision of the present law which neither affects rank structure of the Navy nor entails any increase in retired pay. To repeal this authority at this time will create an inequality of treatment to Regular and Reserve naval officers whose contemporaries have achieved this signal recognition of their service during wartime merely through the circumstances of an earlier date of retirement. We strongly urge and solicit your opposition to this amendment. The foregoing is consistent with our Resolution 24-58 forwarded to you on January 30, 1959."

Your support of our position is solicited and recommended.

Sincerely yours,

A. WINFIELD CHAPIN,
Commander, U.S. Naval Reserve, National President.

TELEGRAM OF NAVAL RESERVE ASSOCIATION TO THE PRESIDENT, DATED AUGUST 4, 1959

The Honorable DWIGHT D. EISENHOWER,
The White House,
Washington, D.C.:

The Naval Reserve Association respectfully calls to your attention a provision in H.R. 4413 now awaiting your action which will terminate on November 1, 1959, the Navy, Marine Corps, and Coast Guard's authority to promote on the retired list those officers specially commended for performance of duty in actual combat prior to January 1, 1947. This portion of H.R. 4413 applies equally to Regular and Reserve officers and its effect will be to deny this 34-year-old promotional opportunity to those officers, particularly Reserves on inactive duty, who do not get the word in time to act and those who having the word are unable to make the personal decision with this time limitation. It is respectfully suggested that in approving and signing this needed legislation you call the attention of the Congress to this peremptory early cutoff date and to the desirability of immediate corrective action.

A. WINFIELD CHAPIN,
Commander, U.S. Naval Reserve, National President, Naval Reserve Association.

INTERNATIONAL COMPETITIONS WORK TOWARD PEACE

Mr. GLENN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BARRY. Mr. Speaker, it is my great honor to be a life member of the Eldorado Country Club at Palm Desert, Calif., which, this year, is host to the Ryder Cup International Golf Matches, which have been played between the representatives of the Professional Golfers Association of America and Great Britain since 1926.

It is indeed the only competition of this type which is played between representatives of two major nations on a team basis with match play. The respective teams consist of eight members each and the competition is held alternate years in this country and in Great Britain. International events such as the Ryder Cup matches have done much to

promote understanding between sportsmen of the world; and I have recently heard from Mr. Thomas W. Crane, executive secretary of the Professional Golfers Association of America, who said:

The Ryder Cup matches have been a highly successful competition since their inception. Not only have they featured golf's masters and brought forth the best that there is in golf competition, but they have likewise been a tremendous factor in the promotion of international friendship and good will. In fact, they have been so highly successful in this latter connection that those interested in the promotion of international peace have taken up the promotion of other international golf competitions. As these and others have so aptly put it, "If more golf were played behind the Iron Curtain, there would be fewer wars and rumors of war."

TVA

Mr. GLENN. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SAYLOR. Mr. Speaker, in 1789 when this Government was formed three separate and distinct branches were established: the executive, the legislative, and the judicial. Under the Constitution each branch was charged with certain responsibilities. For many years each branch was very zealous of its responsibilities and protected them with every ounce of strength that they could muster. But sad to say within the past generation there has been a great laxity on the part of first the legislative and to a lesser degree the executive in preserving their prerogatives.

The Congress has passed laws and left them so open ended that the executive could interpret them to their own liking. The result is that now the Congress has become so beholden to the executive it must come on bended knee to the bureaus and ask them for little favors under the laws that it has created. It must do this instead of demanding things to which it is justly entitled under these laws and demanding that agencies of Government administer the laws as intended by the Congress. But to go even farther if someone does not like the laws as created by the Congress or administered by the Executive he takes them to the Supreme Court of the United States and it legislates in its decisions instead of passing upon the constitutionality as was originally intended. States rights have become a farce. We are no longer a confederation of sovereign States, we are 50 States kowtowing to Washington begging a little bit of aid for this and a little for that because our paternalistic Central Government has taken such a huge cut out of the tax potential that there is no longer enough tax money left for State and local governments to carry out functions that should be theirs.

All of this may seem far afield from the question under consideration, Mr. Speaker, but to me it is very germane to any discussion of TVA. Some good

friends of mine on both sides of the aisle have talked at great length about back door financing from the Treasury and the necessity of guarding the appropriations procedure of the House. But what are we talking about doing here, Mr. Speaker? We are talking about further weakening a weak TVA bill that, in my opinion, never should have been passed in the first place. Talk about back door spending out of the Treasury, here it is. TVA is being authorized to issue revenue bonds but if it does not like the terms offered in the money market it is authorized to issue them to the Treasury up to the amount of \$150 million and the Treasury has to take them. What do you call that but back door financing?

But, Mr. Speaker, I am not going to take up the time of the House discussing the many bad features of H.R. 3460, I want to talk about this new gimmick that someone has dreamed up, this Senate bill 2471. H.R. 3460 as it passed the House and the Senate had practically no Presidential and very little congressional control in it. Now all you have to do is pass S. 2471 and there will be none of either in it.

Under H.R. 3460 as amended by the Senate the President at least got to see the TVA budget. Although he was instructed to transmit it on to Congress without change he was graciously permitted to make his comments on it. If we pass S. 2471, TVA will not even have to show him its budget. How can we expect the Chief Executive of the United States to maintain supervision over a Federal agency under such conditions? Under H.R. 3460 as it passed the House and Senate the Congress at least had a chance for a 90-day period of telling TVA it could not do something, but when we pass this S. 2471 that chance is gone.

All congressional and all Presidential control will be gone, Mr. Speaker. H.R. 3460 says at the bottom of page 6 that in issuing and selling bonds and spending the proceeds thereof that TVA "shall not be subject to the requirements or limitations of any other law." That means it is not subject to any law except that prescribed under H.R. 3460. So when we fail to provide congressional or Presidential control under H.R. 3460 there just is not any.

Mr. Speaker, it has been evident for some time that this big experiment in socialism was a sacred cow, but I never realized just how sacred it was. I never expected to see the day that the Congress of the United States would become so derelict in its duties, so irresponsible in its obligations to those it represents as to free a multi-billion-dollar agency of Government that has been financed by the taxpayers, one that proudly claims it belongs to all the people, from all control by its owners.

You can rest assured that this is only a beginning, Mr. Speaker. We will have other agencies of Government coming before us, one after another, wanting the same freedom. If we are going to give it to one, the others are just as entitled to it. But if we are going to turn these agencies that we create loose to do as they please, then the President becomes

a figurehead and the Congress a rubber-stamp. There is no use for us to stay around Washington all summer if we are going to convert our Government to one of the bureaucracy. We might just as well come here for a month or two after the first of the year; that should be sufficient time for us to do our "rubber-stamping" and then spend the rest of our time back home trying to explain to our constituents why we have relinquished or delegated the power invested in us to a bunch of Government bureaus. It would take me a lot of time to explain that up in my district.

I have a sick feeling in the pit of my stomach, Mr. Speaker, and a heavy heart when I sit here in Washington year after year and see what is happening to our Government. I see the Ways and Means Committee, charged with the responsibility of raising revenues, bypassed; the Appropriations Committee, charged with the responsibility of determining Federal expenditures, bypassed by all sorts of laws permitting back-door entry to the Treasury—and this TVA bill is another back-door approach—and by a law such as this permitting a Federal agency to raise its own revenues and spend them as it pleases; the rights of sovereign States utterly disregarded by laws we pass and by Supreme Court decisions; the Supreme Court no longer confining itself to interpreting the law but actually legislating decisions in accordance with the ideology of its membership; and we are increasing the number of and strengthening bureaus by laws that we pass and the interpretation of the laws by the bureau to suit their wishes to the extent that the bureaus now rule the Congress instead of the Congress ruling the bureaus.

Mr. Speaker, I have enumerated only a few of the things that are taking control of the Government out of the hands of the people. We, the Congress, are supposed to be the voice of the people. How can the people retain control of their Government if we, their chosen representatives, are going to abdicate the authority invested in us to Government agencies. These things are being done a little at a time. The people do not realize what is happening to them and I sometimes wonder if we in the Congress fully appreciate what we are doing. One of these days we are going to wake up and find out that we are no longer even a rubberstamp.

During my service in the House I have seen us approve many pieces of legislation that whittled a little authority away from the Congress, the Executive, or both; but this TVA legislation is the worst example I have ever seen. We have quit whittling; we have just cut TVA completely free of all control. If we did not know what we were doing we would at least have the excuse of ignorance but we do know what we are doing. Both the sponsors and the opponents of S. 2471 freely admit that the bill relinquishes all Executive and congressional control over the financing and spending of three-quarters of a billion dollars by this Federal agency.

Mr. Speaker, we will live to regret this action. It will go down in history as one

of the most irresponsible acts we have ever committed—a truly black day in legislative history.

CENTRAL VALLEY PROJECT

Mr. GLENN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. UTT] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. UTT. Mr. Speaker, a recent hearing by the House Interior Subcommittee on Irrigation and Reclamation disclosed some startling testimony concerning the disposition of Government power in California's great Central Valley project. During consideration of the Trinity River joint development proposal Under Secretary of the Interior Bennett pointed out that 81 percent of the Bureau power was going to one non-Federal "preferred" customer.

The Central Valley project was authorized over 20 years ago primarily for the purposes of irrigation and reclamation, to be financially assisted by power revenues. The Federal Government has already expended some \$500 million on the Central Valley project with over an additional \$1 billion committed to complete further authorized California water developments.

In response to a question by Congressman RANDALL, Secretary Bennett stated:

To begin with, at the present time, 81 percent of all the power that we are delivering to preference customers, and that includes Federal agencies, goes to the Sacramento Municipal Utility District, 81 percent.

Since a few other municipal systems are served out of the remaining 19 percent, it is apparent that Federal installations, largely military and scientific, are receiving only about one-sixth of the total Government-produced energy. It is quite obvious, from the Bureau's own figures, where the great bulk of this bargain-rate power is going—certainly not to Federal agencies or to the power company, but to the Sacramento Municipal Utility District.

Opponents of Trinity joint development have repeatedly held that Trinity power would be needed for project pumping, but the testimony, as corroborated by the Bureau of Reclamation's engineers, was that ample energy was available to satisfy project pumping. Therefore, this idle charge was also exploded.

I submit, Mr. Speaker, that the water users, as the intended beneficiaries of the CVP, can hardly be receiving much financial aid and assistance through power revenues when 81 percent of the Bureau power is being sold at taxpayer-subsidized rates to the city of Sacramento, which comprises only 7 percent of the electric power consumers of northern and central California—the area which Trinity energy would serve. Is it unreasonable to spare the Nation's taxpayers the \$60 million cost of constructing the Trinity power facilities, or must all budgetary considerations of

fiscal responsibility be thrown out the window because a private company is involved?

Our colleagues on the Appropriations Committee, and the membership of this body on the floor, commendably withheld funds for needless Government construction of these generators in view of the willingness and availability of investor capital to do the job. The conferees on the public works appropriation bill should uphold the will of the House, and refuse to accede to a demand by the Senate for a Federal expenditure for this purpose.

H.R. 5068

Mr. GLENN. Mr. Speaker, on behalf of my colleague, the gentleman from New York [Mr. DORN], I ask unanimous consent that he may have until midnight tonight to file a minority report on the bill H.R. 5068.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. FOUNTAIN (at the request of Mr. WHITENER) for today, August 5, 1959, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. STEED, for 1 hour on Monday.

Mr. STRATTON, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DENT.

Mr. DOYLE and to include extraneous matter.

Mr. PELLY and to include extraneous matter.

(At the request of Mr. GLENN, the following Members were granted permission to extend their remarks and include extraneous matter.)

Mr. GUBSER.

(At the request of Mr. QUIGLEY, and to include extraneous matter, the following:)

Mr. BOWLES in two instances.

Mr. SANTANGELO.

Mr. RODINO.

ENROLLED BILL SIGNED

Mr. BURLERSON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 6940. An act to amend the Mineral Leasing Act of 1920 in order to increase certain acreage limitations with respect to the State of Alaska.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLERSON, from the Committee on House Administration, reported that that committee did on August 4, 1959, present to the President, for his approval, bills of the House of the following titles:

H.R. 697. An act to authorize the Secretary of the Navy to acquire certain real property in the county of Solano, Calif., to transfer certain real property to the county of Solano, Calif., and for other purposes; and

H.R. 3322. An act to amend title 10, United States Code, and certain other laws to authorize the payment of transportation and travel allowances to escorts of dependents of members of the uniformed services under certain conditions, and for other purposes.

ATOMIC ENERGY COMMISSION APPROPRIATION BILL, 1960

Mr. CANNON submitted a conference report and statement on the bill (H.R. 8283) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes.

ADJOURNMENT

Mr. QUIGLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 8 minutes p.m.) the House adjourned until tomorrow, Thursday, August 6, 1959, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1280. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 29, 1959, submitting a report, together with accompanying papers and illustrations, on an interim report on hurricane survey of Pawcatuck, Conn., authorized by Public Law 71, 84th Congress, approved June 15, 1955 (H. Doc. No. 212); to the Committee on Public Works and ordered to be printed with two illustrations.

1281. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend section 205 of the Federal Property and Administrative Services Act of 1949, to empower certain officers and employees of the General Services Administration to administer oaths to witnesses"; to the Committee on Government Operations.

1282. A letter from the Under Secretary of the Navy, transmitting a report relating to the authority to construct, operate, and maintain the DeLuz Dam on the Santa Margarita River in the State of California, and is supplementary to the report made on August 30, 1958, pursuant to section 7 of the act of July 28, 1954, Public Law 547, 83d Congress; to the Committee on Interior and Insular Affairs.

1283. A letter from the Secretary of the Army, transmitting a report of claims settled by the Department of the Army, required by section 2673, for the fiscal year 1959, pursuant to the Federal Tort Claims Act, as codified and amended (28 U.S.C.); to the Committee on the Judiciary.

1284. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting the following plans

for works of improvement at Marsh-Kellogg watershed, California; Upper Clear Boggy Creek watershed, Oklahoma; and Roanoke Creek watershed, Virginia, which have been prepared pursuant to section 5 of the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1005), and delegated to the Director of the Bureau of the Budget by Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

1285. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend the act of June 1, 1948 (62 Stat. 281), to empower the Administrator of General Services to appoint nonuniformed special policemen"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 2565. A bill to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations; with amendment (Rept. No. 767). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 5067. A bill to repeal section 217 of the Merchant Marine Act, 1936, as amended; without amendment (Rept. No. 768). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 5431. A bill to provide a further increase in the retired pay of certain members of the former Light-house Service; without amendment (Rept. No. 769). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 5421. A bill to provide a program of assistance to correct inequities in the construction of fishing vessels and to enable the fishing industry of the United States to regain a favorable economic status, and for other purposes; with amendment (Rept. No. 770). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 7045. A bill to authorize the establishment of the Arctic Wildlife Range, Alaska, and for other purposes; without amendment (Rept. No. 771). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee of conference. H.R. 8283. A bill making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes (Rept. No. 772). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL (by request):

H.R. 8534. A bill to provide for a Resident Commissioner from the Virgin Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'BRIEN of New York (by request):

H.R. 8535. A bill to provide for a Resident Commissioner from the Virgin Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (by request):

H.R. 8536. A bill to provide for a Resident Commissioner from the Virgin Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WESTLAND (by request):

H.R. 8537. A bill to provide for a Resident Commissioner from the Virgin Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARRIS:

H.R. 8538. A bill to amend paragraph (10) of section 5 of the Interstate Commerce Act so as to change the basis for determining whether a proposed unification or acquisition of control comes within the exemption provided for by such paragraph; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN of Michigan:

H.R. 8539. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses by labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. KARTH:

H.R. 8540. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. LANE:

H.R. 8541. A bill to provide for the reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes; to the Committee on Education and Labor.

By Mr. MURRAY:

H.R. 8542. A bill to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REES of Kansas:

H.R. 8543. A bill to authorize the use of certified mail for the transmission or service of matter required by certain Federal laws to be transmitted or served by registered mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN of New York:

H.R. 8544. A bill to amend the act entitled "An act to establish a memorial to Theodore

Roosevelt in the National Capital" to provide for the construction of such memorial by the Secretary of the Interior; to the Committee on House Administration.

By Mr. SIMPSON of Pennsylvania:

H.R. 8545. A bill to amend the act entitled "An act to establish a memorial to Theodore Roosevelt in the National Capital" to provide for the construction of such memorial by the Secretary of the Interior; to the Committee on House Administration.

By Mr. PIRNIE:

H.R. 8546. A bill to amend the Agricultural Adjustment Act (as reenacted by the Agricultural Marketing Agreement Act of 1937) to require that prices stated in milk orders issued thereunder be expressed on a per quart basis; to the Committee on Agriculture.

By Mr. RAY:

H.R. 8547. A bill to amend the Legislative Branch Appropriation Act, 1948, to place certain restrictions on the use of the stationery allowance of Members of the House of Representatives; to the Committee on House Administration.

By Mr. REUSS:

H.R. 8548. A bill to authorize the sale by the Postmaster General of stamped envelopes bearing in the return addresses thereon titles indicating occupations, professions, and businesses; to the Committee on Post Office and Civil Service.

By Mr. STRATTON:

H.R. 8549. A bill to continue until July 2, 1960, authority to promote upon retirement certain officers of the Navy, Marine Corps, and Coast Guard who have been specially commended for performance of duty in actual combat; to the Committee on Armed Services.

By Mr. HUDDLESTON:

H.R. 8550. A bill to continue until July 2, 1960, authority to promote upon retirement certain officers of the Navy, Marine Corps, and Coast Guard who have been specially commended for performance of duty in actual combat; to the Committee on Armed Services.

By Mr. YOUNGER:

H.R. 8551. A bill to amend the Legislative Branch Appropriation Act, 1948, to place certain restrictions on the use of the stationery allowance of Members of the House of Representatives; to the Committee on House Administration.

By Mr. BENNETT of Florida:

H.R. 8552. A bill to amend title 38 of the United States Code to prohibit the award of contracts by the United States to certain persons; to the Committee on Veterans' Affairs.

By Mr. FISHER:

H.R. 8553. A bill to amend sections 1461, 1462, 1463, and 1465 of title 18 of the United States Code to provide mandatory prison sentences in certain cases for mailing, importing, or transporting obscene material; to the Committee on the Judiciary.

By Mr. KING of California:

H.J. Res. 486. Joint resolution extending an invitation to the International Shooting Union to hold the 38th world shooting championship in the United States in 1962; to the Committee on Foreign Affairs.

By Mr. BOWLES:

H. Con. Res. 373. Concurrent resolution to invite friendly and democratic nations to consult with countries of south Asia; to the Committee on Foreign Affairs.

By Mr. FINO:

H. Con. Res. 374. Concurrent resolution that it is the sense of Congress that a sound dollar is the basis for future growth and security of the Nation; to the Committee on Ways and Means.

By Mr. LAFORE:

H. Con. Res. 375. Concurrent resolution that it is the sense of Congress that a sound dollar is the basis for future growth and security of the Nation; to the Committee on Ways and Means.

By Mr. BENTLEY:

H. Res. 337. Resolution providing for the holding, before any future summit conference, of free elections in the Communist-controlled countries of Central and Eastern Europe; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FINO:

H.R. 8554. A bill for the relief of Wladyslaw Kisiel; to the Committee on the Judiciary.

By Mr. HEBERT:

H.R. 8555. A bill for the relief of Miss Rosa Torres-Alvarez; to the Committee on the Judiciary.

By Mr. CLEM MILLER:

H.R. 8556. A bill for the relief of Gerardo Majella Rangel de Almeida, his wife, Aurea Melina Rangel de Almeida, and their two minor children, Leovigilda Maria Rangel de Almeida and Jaime Jose Rangel de Almeida; to the Committee on the Judiciary.

By Mr. WALTER:

H.J. Res. 487. Joint resolution relating to the deportation of certain aliens; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Public Opinion Has Shaped the Record of Accomplishments of This Session of the 86th Congress

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1959

Mr. PELLY. Mr. Speaker, we are close enough to adjournment to be able to evaluate the record of this 1st session of the 86th Congress.

In this connection, recently the question was directed to me in a press inter-

view as to whether the record of accomplishment was good or bad.

My reply was, "Not bad."

Then I was asked whether the credit for this record should be given to the Democrats or the Republicans.

"The credit should go to the public" was my answer, because, as I said, it was public opinion, most of all, that wrote the record of this Congress and kept it from being bad. I also attributed great credit to President Eisenhower for his leadership and the fact that by his press conferences and otherwise he stimulated discussions in the press and the expression of public opinion.

The question was raised following this remark as to whether the 86th has been a budget-busting Congress, and with

proper and due recognition of the efforts of the House Appropriations Committee, I said we could have a balanced budget in fiscal 1960, especially if the present high rate of prosperity continues so that the Federal revenue from taxes will exceed \$80 billion.

Also, I expressed the belief that, thanks to public opinion favoring the President's "hold the line" on Federal spending programs, the threat of inflation has diminished. I responded also by stating my opinion that the best bulwark against inflation is public ownership of U.S. Savings Bonds.

Mr. Speaker, recently on the NBC radio and television program "Meet the Press" the distinguished former President of the United States, the Honorable

Herbert Hoover, expressed the opinion that our country is in more imminent danger from internal causes than from the cold war.

He cited inflation, unbalanced budgets, and overspending by Congress as being some of the domestic dangers.

Mr. Speaker, I agree with Mr. Hoover that those are dangers, and that is why I have constantly resisted pressures to increase Federal spending. Moreover, as I have just inferred, I believe the net result of the efforts of those of us in Congress who have opposed new programs calling for excessive expenditures have been successful overall in this Congress.

Herbert Hoover was on the eve of his 85th birthday at the time of that TV interview. His appraisal of the domestic situation is worth noting. He mentioned the dangers from within, but he was not pessimistic; and we can all take a lesson of courage and faith out of his experience and words of wisdom.

He was asked:

Have these things weakened us so much that we can't stand out strong against Russia?

To which he replied:

No, I wouldn't want anybody to think for a moment that the American people are not capable of solving any crisis. As a matter of fact, this Nation is now in its 183d year, and it has lasted longer than any representative Government. It has gone through seven wars, has gone through three great depressions.

Mr. Hoover mentioned that we have had some bad administrations in Washington, and we have had evil days on account of wars which produced a series of crises. But he concluded as follows:

And yet, after all that, we still have of the original heritage of the American people a very large part of what the forefathers established. We still have a freedom of religion, freedom of press, freedom of assembly, freedom of enterprise within the limits of some socialistic tack; freedom of speech within the limits of very mild laws on the subject. Generally we possess today the same vitality that gave us the initiative and the ability to solve these crises that we have had in the past.

Mr. Speaker, like Mr. Hoover I have faith in the American people. Perhaps sometimes I feel Congress is not acting wisely. However, as this session of Congress indicates, generally the thinking of the public prevails and I believe the judgment of the people, where they are given the facts, is sound. Yes, I give credit for the accomplishments and record of this Congress and this session to the force of public opinion. As to partisan credit or criticism, I think Republican and Democratic Members of Congress alike can be counted on to debate that issue after adjournment. Instead, I conclude these remarks with the personal comment that service in this House this session, as it always is, has been a privilege and challenge. Individually and collectively we are honored beyond measure to be Members of the greatest legislative body in the world. For that honor I am grateful and only hope my service has merited and justified the judgment of the fine friends and people who sent me here.

Public Interest Can Best Be Served by a Cut in Steel Prices With No Change in Wage Rates

EXTENSION OF REMARKS

OF

HON. CHESTER BOWLES

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1959

Mr. BOWLES. Mr. Speaker, under leave to revise and extend my remarks, I include the text of a letter which I sent to President Eisenhower yesterday concerning the steel situation:

AUGUST 5, 1959.

The President,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: As wartime Price Administrator and Director of Economic Stabilization, I was deeply involved on a week-to-week basis with the complex interrelationship of prices, wages, and profits in the steel industry. Over the years since then, I have been increasingly disturbed in watching the operations of this key industry which has such widespread influence on employment and manufacturing costs throughout our economy.

In these 14 years, the steel industry has been shut down six times by labor-management differences. One hundred and ninety days of production have been lost. As a result, an estimated 45 million tons of steel production that might have been produced were not produced and, of course, the losses in wages and profits run into hundreds of millions of dollars.

The present impasse is now moving into its fourth week. Unless some agreement can be reached soon, the implications for our economy as a whole are decidedly disturbing.

We are now emerging from our third recession in 10 years. This series of setbacks has slowed our average annual rate of growth to the lowest levels in several decades.

Continued loss of steel production and steelworker purchasing power will curtail our prosperity still further. Moreover, as steel stocks dwindle, almost every industry in America will become affected. Bitterness between the workers and management, which already is distressingly great, will become greater.

If a labor-management settlement is followed by a price rise, the adverse effect on our economy as a whole will be increasing still further. Already the price of steel has risen from the OPA ceiling of \$54 a ton in 1945 to \$155 in 1959. This is four times the increase in the wholesale price level in this 14-year period.

Of the 9-percent rise in average wholesale prices since 1953, 7 percent has been directly due to increases in steel and steel-using products.

If it had not been for a drop in the wholesale prices of farm products which have gone down 9 percent since 1953, the inflationary pressures generated primarily by the steel industry would have been even more evident. This means that sagging food prices have been balancing skyrocketing steel prices.

When asked to explain its repeated and extensive price increases, the steel industry has invariably pointed out that hourly wage rates have also tripled. Continued repetition of this explanation has led many people to assume that the blame for high prices belongs exclusively to labor. This, however, leaves out a critically important point—the relation between hourly wage rates and labor productivity.

Corporate profits are determined by many things. To the degree that labor cost is a factor, it is not the price of labor per hour but the cost of labor per ton of steel produced that is important. Although this precise figure is one of the world's best kept secrets, the external evidence indicates that the increase in wage rates has to a considerable extent been offset by the increases in labor productivity.

Mr. President, I realize that you have recently directed the Secretary of Labor to extend his one-man factfinding role to an 18-month study of the basic problems of the steel industry since the end of World War II. This study will be valuable in casting badly needed light on these complex cost-profit relationships.

However, the situation which now confronts us is urgent. Further drift will slow down our economy and endanger both jobs and profits at a critical point in our general recovery.

Viewed strictly as a contest between management and labor, it seems clear that steel wages, in view of recent increases in labor productivity, could and should be increased with no increase in prices. Operating at high capacity, the steel industry could continue to set record profits.

Yet I believe the public interest can best be served by a cut in steel prices with no change in wage rates. The evidence seems clear that the steel industry could take this important step and still maintain record profits.

Naturally such a proposal is not being pursued enthusiastically by either management or labor. However, there are times when we must all look beyond special group interests in the broader public interest. I deeply believe that we have now arrived at such a point in regard to the steel industry.

A reduction of \$10 per ton in steel prices could be reflected this fall in lower prices of automobiles, washing machines, refrigerators, and other home appliances. It could reduce the cost of our highway program, industrial construction, machine tools, and other essential items.

It could also help restore to our economy as a whole the vitality which can only come when our productive facilities are being used to capacity and when our people are fully employed. In regard to the steel industry itself, it could serve to increase sales, assure steadier and larger employment and improve our competitive position in regard to steel imports.

In recent months we have heard much about the danger of inflation, but in my opinion too little about economic growth. I submit that both problems are closely interrelated and that both could be partially met by a reduction in steel prices.

For this reason I respectfully suggest that you call on the steel industry to take this bold, creative action for the long-term good of our country and our economy.

May I add that no one should understand this need for such action better than former Secretary of the Treasury Humphrey, now president of the National Steel Corp. On many occasions Mr. Humphrey has called upon various segments of our economy—and particularly upon labor—to place the Nation's welfare before lesser group interests.

Although half of his steel corporation is not union-organized, and therefore still in production, Mr. Humphrey is now in a unique position to initiate moves for the general reduction in steel prices. I can think of no action which would be more helpful in reversing the inflationary pressures to which he so frequently refers.

I am therefore taking the liberty of sending Mr. Humphrey a copy of this letter.

With my personal respect and regards,

Sincerely,

CHESTER BOWLES.

Blacklisting**EXTENSION OF REMARKS
OF****HON. JOHN H. DENT**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1959

Mr. DENT. Mr. Speaker, in these days of labor-leader hatemongering and antiunionism near hysteria on the part of some diehard predatory profiteering organizations and persons, it is important to sane and sensible legislation to know the real truth about matters of such grave concern as the article that appeared in the CONGRESSIONAL RECORD repeating a Twin Falls, Idaho, newspaper editorial.

This reported item charged bluntly that organized labor's political action committee was operating a blacklisting operation within its official activities.

First of all, the word "blacklist" brings to me one of the most dreaded and disgusting memories of my youth.

I was born in a coal-mining community and have a bitter and blind opposition to the use of the term on the practice of blacklisting.

Recently, during our subcommittee hearings on the ill-disguised antilabor bill parading as a reform measure, we heard the story of a young retail clerk.

This worker lost her job through a series of company-engineered court and NLRB rulings. Her dismissal was and is clearly and irrefutably traced to her union activities in trying to help form and maintain a union in one of the all-too-many places of employment who profess to like unions; but the point I am leading up to is that by the simple expedient of having all other cooperating employers in the Duluth area demand a letter of recommendation before hiring, this girl has been blacklisted for life.

She has two alternatives—move away, change her name, find a reasonable employer—and you can hardly find this kind around here anymore—or become antilabor—shout it from the house tops and be welcomed back into lower standard working conditions employment.

Now, Mr. Speaker, you can understand partly my deep-seated opposition to blacklisting and especially resent its use by labor unions, the members of which have too many times been its victims.

I am happy to be able to put into the RECORD correspondence between myself and the director of COPE, a longtime friend, James McDevitt, formerly president of the Pennsylvania Federation of Labor.

In passing, I would like to say that Jim McDevitt is a respected and respecting union official, and any insinuations to the contrary are false and unfair.

The letters follow:

JULY 29, 1959.

Mr. JAMES L. McDEVITT,
National Director, Committee on Political
Education, Washington, D.C.

DEAR JIM: In reading the CONGRESSIONAL RECORD for July 23, I note an extension of remarks by the Honorable H. H. BUDGE, of Idaho.

He included in his remarks an editorial from a local newspaper from Twin Falls, Idaho, dated July 15, 1959. In case you missed his remarks, I am enclosing same.

It appears to me as though the extension is a direct charge that COPE has prepared, and is preparing, a "blacklist" on Members of the Congress based upon their voting records. Having known both yourself as a person, and COPE as an institution, I am disturbed by this allegation. I have always believed in the fundamental right of any organization to publish its views on the voting records of members of any legislative body. This right, to me, is fundamental and, needless to say, one of the privileged rights of our Constitution.

Personally, I do not see it as this article attempts to make it appear as a threat, nor do I see it as any violation of the prerogatives enjoyed not alone by COPE, but by all other free institutions in this country.

I do not believe that charges such as those should go unchallenged or unannounced, and I would appreciate it very much if you would give me, at your convenience, the story behind COPE's listed analysis of voting records.

With kindest regards, I remain,
Sincerely yours,

JOHN H. DENT,
Member of Congress.

COMMITTEE ON POLITICAL EDUCATION,

Washington, D.C., August 3, 1959.

HON. JOHN H. DENT,

House of Representatives, Congress of the
United States, Washington, D.C.

MY DEAR CONGRESSMAN: I thank you for your inquiry concerning the insertion in the CONGRESSIONAL RECORD of an editorial from the Twin Falls (Idaho) Times-News, of July 15, 1959. Certainly, if editorial writers and others were as scrupulous as you are in seeking information, the labor movement would not now be subjected to the calumny that is being heaped upon it.

The Times-News editorial is based on a completely twisted account, distributed to its clients by the United Press International News Service a few weeks ago. UPI, on the basis of an article appearing in our weekly publication, Political Memo From COPE, dated July 6, 1959, stated COPE had issued its first blacklist of the 1960 campaign. In truth and fact the article merely reported three rollcall votes in the Senate on amendments sponsored, respectively, by Senators McCARTHEY, CLARK, and DOUGLAS, which related to the tax laws.

As you are well aware, taxes are a subject of utmost concern to all citizens these days and particularly to those in the middle and lower income groups who bear the heaviest share. We felt, and still feel, that they are entitled to know which Senators voted for these amendments, which, in our view, would have plugged some gaping loopholes in the tax laws, and which Senators voted against these amendments.

To say that this reporting of a vote constitutes a blacklist is the most arrant nonsense comparable only to the statement in a recent article by Paul Martin of the Gannett News Service straight-facedly reporting, "It is estimated unions spent \$510 million on political activities in the 1958 congressional campaign."

I can tell you categorically and without qualification that COPE has no blacklist or purge list or anything remotely resembles these items. It never has had and, so long as I am its director, never will have.

My feelings on this subject of a blacklist are strong, because I have known too many honest union men and women who have trudged from employment office to employment office, in search of work, only to be told that there was none for them because they were union members. You know, I am sure, of the blacklists that were so prevalent

in the coalfields and steel mills of our Commonwealth of Pennsylvania in the pre-Wagner Act days. No more despicable instrument was ever devised nor was there anything so destructive of men's dignity.

COPE has published and will continue to publish the voting records of the elected representatives of the people both at the time of the vote and in summary form at the end of the session. Our parliamentary system is unique among the world's parliaments in that such a vote is provided for in the rules of Congress and published in the official Record of Congress. Certainly it must have been the intention of our forefathers to give the widest currency to the votes cast there, and I have always been puzzled by the reluctance of some to have their votes made known.

Sincerely yours,

JAMES L. McDEVITT,
National Director.

**Retired Military Officers' Influence on
Defense Contracts****EXTENSION OF REMARKS
OF****HON. ALFRED E. SANTANGELO**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1959

Mr. SANTANGELO. Mr. Speaker, last June 3 I introduced an amendment to the defense appropriation bill which would deny funds to defense contractors who employed retired general officers who are on active service within the last 5 years. By one vote, the House rejected it, but the chairman of the Defense Appropriation Subcommittee assured the members that an Armed Services Subcommittee would investigate influence peddling by general officers in procurement contracts.

The subcommittee under the chairmanship of Congressman F. EDWARD HEBERT, Democrat, of Louisiana, has been investigating this matter. I had the privilege of testifying before the committee and was interrogated by the chief counsel and the members. I made no accusations against particular officers, but highlighted the inherent dangers of general officers obtaining employment with defense contractors and the possible added cost to our defense appropriation bill. It appears that I have stepped on the toes of a "sacred cow," the military officers, and the great defense contractors. Their apologists and protectors in various magazines and newspapers are disparaging my attempts because I dared to criticize this relationship between our retired general officers and defense contractors.

It must be remembered that our annual appropriations for national security totals \$45 billion this year and approximately \$14 billion goes to aircraft and procurement of military equipment. Financial reports indicate that profits of these aircraft companies and electronic companies are soaring. These companies, through their magazine editors, are seeking to belittle my attempts and congressional attempts to find the facts and eliminate the influence in defense contracting.

If the President of the United States would end the authorization for negotiated and letter contracts and would have the Defense Department grant defense contracts through competitive bidding, we could eliminate in a large measure the military influence on defense contracts, reduce our cost, and retard inflation. However, our President, our Commander in Chief, and a military general, seems disinclined to interfere with his former colleagues, and the Defense Department, which is under his jurisdiction, continues to negotiate contracts without competitive bidding and on a negotiated and on a letter basis.

Several attempts to belittle the Hébert investigation and to "pooh-pooh" my efforts have come to my attention. In the August 1959 issue of the magazine, *Air Force and Space Digest*, the senior editor of the magazine, which is published by the Air Force Association, has attempted to ridicule my testimony before the Hébert committee. The Navy News, in a screaming headline by a feature writer, claims that the investigation by the Hébert committee is a waste of time, that "I am an expert in wasting time," and that the only result of the committee hearings would be to rebut my claim of military influence on defense contracts.

Of course, these magazines and newspapers fail to mention supporting testimony, such as that of Adm. Hyman Rickover, who indicated that there were pressures put on him by military men, but it did not influence his decisions. To an extent Admiral Rickover agreed with me that there should be a timelag between retirement from military service and employment by a defense contractor. Other witnesses have indicated that a timelag is necessary. Others have suggested a code of ethics and a requirement to report overtures and attempts to influence.

The San Francisco Chronicle, which is interested in protecting California defense industries, in a July 10 editorial, has come to the defense of the military officers and takes serious issue with me.

What the Hébert committee has found out will be reported in due time. I have given the Congress and the Armed Services Subcommittee the benefit of my views. I am not in charge of the investigation, but will give information as it comes to my attention. I know that the Hébert subcommittee is acting in a responsible manner, is not destroying reputations, and is trying to extract facts from embarrassed and reluctant officers who receive lucrative salaries while enjoying retirement benefits.

In this morning's Washington Post, August 5, 1959, Marquis Childs in his column made some discerning observations. I submit this article as a partial answer to those magazine critics and military apologists who are belittling me in order to defend a system in which they are peculiarly interested. I am sure my colleagues and readers will find this article interesting and informative. It follows:

OLD SOLDIERS FIND IT PAYS TO RETIRE
(By Marquis Childs)

Why do firms with huge defense contracts from the Government hire retired admirals and generals at five-figure salaries? Is it

because they know the right people in the Pentagon and can lobby through big contracts? Are they merely front men? Or do they have real ability worth \$50,000 or \$75,000 a year?

These are questions which a House committee, headed by Representative F. EDWARD HÉBERT, is trying seriously to answer. Behind the inquiry is a supercharge of resentment and frustration not only in Congress but, judging from congressional mail, in the country as well.

One source of resentment is the fact that if the ordinary citizen, trying to live on his social security retirement pension, to which he has contributed throughout his working life, makes more than \$100 a month, he loses the pension. Yet an admiral or a general, retiring with a pension of \$12,000 a year, to which he has not contributed, can take a salary with private industry up to any amount, including the bonanza of stock options in the company, and still keep his Government pension.

Reflecting this resentment, the House came within a few votes of adopting an amendment which would have forbidden officers to take defense jobs for 5 years after their retirement.

HÉBERT frankly admits that his committee finds it difficult to pin down just what it is that the generals and admirals do for their salaries. But he says, too, that in trying to get the facts he is also trying to be fair. Inevitably, the inquiry spills over into the munitions lobby and the part played by the admirals and generals.

Last week the committee looked into the Aerospace Industries Association, maintained by the companies producing aircraft, missiles, and rockets. Eighty percent of their business is with the Government and they contribute in proportion to their sales to a fund that last year totaled \$1,419,115. The biggest companies, such as Douglas, Boeing, Convair, and Lockheed, contributed \$75,000 each.

Orval R. Cook, a retired Air Force major general, is president of Aerospace at an annual salary of \$49,999.92. He testified that besides research and educational projects, Aerospace does some lobbying. One goal was the contract renegotiation act, with Aerospace undertaking, as Cook tactfully put it, to clarify the "definition of excessive profits. This effort, which failed, would have meant millions in cold hard cash to the big contractors."

What startled HÉBERT and the other committee members is that Aerospace is listed, for income tax purposes, as a nonprofit organization. In questioning Cook, it developed that the company's \$75,000 contribution is charged to the Government as a contract expense and then the company, on its income tax return, deducts it because it goes to a nonprofit organization.

"In other words," said HÉBERT commenting on Cook's testimony, "the taxpayer is paying to fight himself under this setup, and paying it two ways. The taxpayer has to pay for that contract against which \$75,000 is charged. So it is an expense item. The company is then allowed a tax deduction because it has contributed to a nonprofit organization and the nonprofit organization takes that money to advance the interests of the contract."

Asked how he thought he would come out if he were playing poker with a man who was using his money, Cook laughingly replied, "I would lose." He stressed in his testimony that lobbying is only a small part of the function of Aerospace, some of whose members have 100 percent of their business with the Government.

Pressure looking to big headlines has been on to subpoena Gen. Douglas MacArthur, whose salary as chairman of the board of Sperry-Rand is \$68,000. MacArthur was given five-star rank during World War II under a

special act providing that five-star generals and admirals remain on active duty for life at a total compensation of about \$20,000 a year.

It is hardly necessary to add that these are the exceptions. Down below the generals and the admirals the great number of retired officers live frugally on relatively small pensions they justly feel they have earned. But they will also come under provisions of the legislation almost certain to come out of the inquiry.

Trinity Power Facilities

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1959

Mr. GUBSER. Mr. Speaker, on page 5 of the House report accompanying the 1960 Atomic Energy Commission appropriation bill—

The committee notes that the Atomic Energy Commission is currently negotiating with the Duquesne Light Co., a private utility, to increase the electrical generating capacity and efficiency of the Shippingport Atomic Power Station at Duquesne's expense. Such continued cooperation by a private utility with the Government is encouraged and it is hoped that a successful agreement will be quickly worked out.

This excerpt from the Appropriations Committee report is illustrative of the advantages to the Government accruing from an electric company's participation in the joint development of Government projects. The proposal of the Pacific Gas & Electric Co. to construct the power facilities on California's Trinity River, if accepted by the Congress, would provide another case of the Government and business cooperating in a mutually successful enterprise.

The House has rightly refused to appropriate for needless Federal construction of the Trinity generators in view of the company's offer to spend its own money to do so; and the House Interior Subcommittee on Irrigation and Reclamation recently heard testimony on the proposed legislation to permit the utility to build and operate the plants, and pay the Government over \$4.6 million a year for the use of the Trinity falling water to turn the turbines.

The House conferees should not accede to the Senate on this item, presently included in the Senate public works appropriation bill; for, as quoted above, the same House Appropriations Committee stated on July 17 that "cooperation by a private utility with the Government is encouraged." Trinity now presents another splendid opportunity to encourage cooperation by a different private utility with the Government, which would then be spared the cost of constructing the powerplants and would receive over \$230 million in falling-water payments and \$83 million in taxes. The gain to the Government and to the taxpayers generally under joint development of the Trinity power facilities certainly justifies the company's participation in this project.

I submit, Mr. Speaker, that "such continued cooperation by a private utility with the Government" should be "encouraged and it is hoped that a successful agreement will be quickly worked out" in this instance also. There should be no appropriation for needless Government construction at Trinity.

Report of the Board of Visitors to the U.S. Air Force Academy, 1959

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1959

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I am pleased to present the full text of the 1959 Report of the Board of Visitors to the U.S. Air Force Academy, at Colorado Springs, Colo.

Because I had the great benefit of the information and inspiration of being a member of that Board and attending on all of its sessions at the Academy beginning on May 11, 1959, and completing as of May 15, 1959, I have particular pleasure in presenting this text for the benefit of all the Members to read.

This was the first meeting of the Board of Visitors after the move of the Academy from its temporary site at Denver, Colo.

Now that I have had a similar experience of visiting two other academies during the last dozen years, I feel it appropriate to urge that all Members of Congress become as well acquainted as may be with the program and functioning of each and every of these Government Academies for the training of our youth.

The report follows:

REPORT OF THE BOARD OF VISITORS TO THE U.S. AIR FORCE ACADEMY, 1959

MISSION

The mission of the Air Force Academy is to provide instruction, experience, and motivation to each cadet so that he will graduate with the knowledge and the qualities of leadership required of an officer in the U.S. Air Force, and with a basis for continued development throughout a lifetime of service to his country, leading to readiness for responsibilities as a future air commander.

REPORT TO THE PRESIDENT

The President,
The White House,
Washington, D.C.

Appointment to the Board of Visitors

The Board of Visitors to the U.S. Air Force Academy was appointed under the provisions of 10 U.S.C. 9355.

Preliminary data

Senator GORDON ALLOTT replaced Senator THOMAS H. KUCHEL. Lt. Gen. Bryant L. Boatner and Dr. Robert L. Stearns replaced Gen. Carl Spaatz and Dr. John A. Hannah. Senator HOWARD W. CANNON was named by Senator RICHARD E. RUSSELL to make the visit in his behalf. Representative CLYDE DOYLE was nominated by Representative CARL VINSON to make the visit in his behalf. Mr. Edward P. Curtis visited

the Academy April 24. Neither Mr. Curtis nor Mr. Victor Emanuel were able to visit at the time the rest of the Board did, because of previous commitments.

Convening of the Board

The Board convened at 9:30 a.m., May 11, 1959, and completed its inspection at 11:30 a.m., May 13, 1959. This was the first meeting of the Board since the move of the Academy to its permanent site near Colorado Springs, Colo., in September 1958.

Chairman of the Board

The Board elected Senator GORDON ALLOTT as its chairman.

Procedure

The Board made part of its inspection as a committee of the whole. Some aspects of the Academy's operation were examined by subcommittees of the Board.

Comments of the Board

Morale: The Board found a high state of enthusiasm and morale prevalent in the cadet wing and among the staff and faculty of the Academy. The sincerity and dedication of the first graduating class speaks well for their motivation toward lifetime service careers.

Discipline: The Board noted that discipline was excellent in all phases of cadet training. Cadets were alert and responsive. Their individual initiative and maturing sense of responsibility are coupled with high concepts of honor and duty.

Curriculum: The Board was impressed with the opportunities offered by an enrichment program which permits each cadet to develop his individual knowledge and competence in accordance with his talent and his capacity for work. The Board was happy to note that the Academy has inaugurated a department of astronautics program and recommends it be continuously expanded to keep pace with the changing security needs of the Nation. All aspects of cadet education—academic, military, and physical development are well integrated to produce a graduate of which the Air Force and the Nation can be proud.

Academic methods: The methods used in teaching are designed to make best use of the cadet's time for classroom learning and individual study. The small classes permit the cadets to participate extensively and they are challenged to their best efforts. Section assignments are based on class academic standings to enable instructors to gear their teachings to the levels of students in their classes. It is suggested that the time and methods of examination be reviewed by a competent committee of the faculty with a view to avoiding interference with class instruction and discussion.

Instruction: By visits to classes in session and inspection of classroom, library, and laboratory facilities, members of the Board observed the effectiveness of teaching methods. In comparison with civilian colleges and university students on recognized tests of academic proficiency, the evidence shows that the cadets have responded favorably to the instruction as given.

Faculty: Members of the faculty are academically well-qualified officers on active duty with the Air Force. Thus, they bring to their classes both military and academic backgrounds that help them provide cadets with a high motivation for education and lifetime service careers. The Board reiterates the vital importance of Air Force personnel policies giving top priority to the assignment of high caliber faculty members to the Academy. The Board is happy to learn of the approval by the Department of the Air Force of a proposal from the Academy which will permit, under appropriate circumstances, Sabbatical leaves for professors. This policy, if pursued, will serve to revitalize and stimulate permanent members of the faculty.

Accreditation: The Board was gratified to learn that the North Central Association of Colleges and Secondary Schools had now accredited the Academy to grant degrees. This is a unique achievement for an educational institution that was yet to graduate its first class, and is a fitting recognition of a sincere, able, and effective institution of higher education.

Airmanship training: The Board was briefed on the various phases of the airmanship program. This includes military, flying, physical, and command training—as well as the cadet way of life. These are the environmental factors, which, with the academic training, are calculated to develop the cadet into a professional Air Force officer, prepared and motivated for a lifetime career of service to his country. The navigation training and the course in astronautics are designed to give graduates pertinent skills and understanding of aerospace navigation.

The Board was also briefed on the current status of planning for pilot training of cadets. The Board regrets that the recommendations of previous Boards have not been carried out. At the time the Academy was authorized, pilot training was envisioned and contemplated as an integral part of the cadet training program. Such training would add materially to the motivation of individual cadets and to their future value as officers. The land for the airstrip was included in the original land acquisition program and is now available on the Academy site. The Board again strongly urges that the Academy be authorized to construct a suitable airfield at the earliest possible date to carry out primary pilot training. The cadet time required for primary pilot training is available from that now devoted to the extensive navigation program.

Cadet life: The complete life of the student is integrated into his course of training. The functioning of the cadet wing, the dormitory life, and the cadet honor code are all part of the cadet's education and motivation for a career as an Air Force officer. The Board feels that the leadership and administration of this program are excellent. Especially to be commended is the well-phased program of increasing the freedom and responsibility of upperclassmen to make the transition to the life of a junior commissioned officer a gradual one.

Religious activities: Cadets are required during the first 2 years to attend services with the cadet wing—Protestant, Roman Catholic, or Jewish. During his third year he may attend one service per month in a church of his own choice off base in lieu of attendance with the cadet wing. In the first half of his fourth year he must attend services but all attendance may be off base, in lieu of attendance with the cadet wing. During his last half year, attendance is voluntary on his part. In addition, there is considerable voluntary participation in such religious activities as the choirs, Sunday school, and religious instruction classes. Besides conducting these religious activities, the chaplains play an important part in the Academy's counseling program.

Physical equipment: The construction of congressionally approved buildings at the permanent site of the Academy is substantially complete, except for some of the dependent housing, the hospital, and the cadet chapel. Progress by last September was sufficient for the Academy to move from the interim location at Lowry Air Force Base at Denver. Further progress has continued throughout the school year.

Library: The center of any educational institution is its library, and the Board desires to commend the administration on its effective operation of a select and growing library and the extent to which it is used by the cadets.

Planetarium: A unique feature of the Academy is the planetarium which is an effective agency in the instruction of men not

only in astronomy and navigation, but in an appreciation of three dimensional interplanetary space essential to the operational understanding of new weapons and techniques.

Fiscal affairs: The Board finds that the Superintendent has maintained a continuing personal knowledge of fiscal affairs of the Academy. The Board has taken cognizance of the recent report of the Comptroller General. However, it is the opinion of the Board that such issues as are raised should be resolved between the construction agency, the Secretary of the Air Force, and the respective appropriate Committees of Congress.

Date of the 1960 meeting of the Board

The Board set the dates of April 6-10, 1960 for its annual visit to the Academy in 1960.

Remarks

The Board commends Maj. Gen. James E. Briggs and his entire staff on the highly successful operation of the Academy during his service as Superintendent. This is particularly outstanding in view of the move to the permanent Academy site in the past year, the academic accreditation by the North Central Association of Colleges and Secondary Schools, and the preparation of the first graduating class. It is recognized that such success is the result of a great effort by a well-balanced team, under General Briggs' leadership.

Recommendations

1. The Board reiterates that primary pilot training should be added to the curriculum of the Air Force Academy. Such training at the Academy should be given all physically qualified cadets and would constitute an essential step in the military pilot instruction of future career fliers.

2. Lack of a flying field at the Academy site introduces numerous difficult problems in the conduct of Academy flying operations. The Board again recommends that suitable flying facilities, built to proper Air Force standards, be provided at the Air Force Academy. Time and distance factors, plus extensive civilian and other military flying operations in the Denver-Colorado Springs area make any other facilities unsuitable and uneconomical.

3. The Board recommends that the curriculum of the Academy be continually reappraised to insure that it remains sound with respect to changing technologies and world conditions.

Respectfully submitted.

Gordon Allott, U.S. Senate; Henry Dworshak, U.S. Senate; Howard W. Cannon, U.S. Senate; Byron G. Rogers, House of Representatives; J. Edgar Chenoweth, House of Representatives; Clyde Doyle, House of Representatives; Dr. Arthur H. Compton, Dr. Robert L. Stearns, Bryant L. Boatner, Lieutenant General, USAF, Retired; James McCormack, Jr., Major General, USAF, Retired.

National Citizens Committee for Columbus Day Planning Conference

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1959

Mr. RODINO. Mr. Speaker, more and more, free governments are learning to recognize the need for building bridges of mutual understanding and friendship

between peoples in order to bring governments and free nations together in their common quest for peace.

Many years ago, a fearless navigator of immense spiritual faith and indomitable courage sailed the seas to link the Old World with the New. His bold historic act has served as an inspiration for men of ideas and vision, and the name Columbus is a symbol for all of the Americas.

Because there is so much ferment in the world today, and especially in the Latin Americas where our brothers feel so fiercely the surge for freedom it is my hope that the symbol of Columbus and the theme "Americans All" may be significant factors in establishing closer ties between the peoples of the Americas.

As national chairman of the Columbus Foundation, it was my privilege to convene a planning conference of the National Citizens Committee for Columbus Day at the Press Club on June 30, 1959. Among those who addressed the conference were, U.S. Senator WAYNE MORSE, of Oregon; Representative THOMAS MORGAN, of Pennsylvania; and Representative ARMISTEAD SELDEN, of Alabama.

Since all of these distinguished gentlemen have dealt with Latin American affairs, their remarks are particularly noteworthy. It is important to point out here that Senator MORSE serves as chairman of the Senate Subcommittee on Latin American Affairs, Representative MORGAN is chairman of the House Foreign Affairs Committee, and Representative SELDEN is chairman of the Subcommittee on Inter-American Affairs of the Foreign Affairs Committee.

Under leave to extend my remarks, I wish to include herein the speeches of Senator MORSE, Representative MORGAN, and Representative SELDEN:

SPEECH OF SENATOR WAYNE MORSE BEFORE NATIONAL CITIZENS COMMITTEE FOR COLUMBUS DAY PLANNING CONFERENCE AT THE NATIONAL PRESS CLUB, JUNE 30, 1959

Mr. Chairman, it is a real pleasure and honor for me to be here with you today to participate in this 1959 Columbus Day Planning Conference.

Jack and Ruth O'Brien, through their very active work with the National Citizens Committee for Columbus Day, are fulfilling the role of true citizenship. Too many times, people with good ideas and good intentions think that only government can carry out some worthwhile program, particularly when it involves international relations or policies. It is easy to forget that in a free country, government policies often follow, as well as lead. Here is one instance where a group of private citizens, acting on their own behalf, are giving leadership to the U.S. Government in an area where leadership has been sadly lacking, and the progress you are making is in no small part due to the vigor and public-spirited manner which Jack and Ruth have displayed. They have been of great assistance to me, too, in my work as chairman of the Latin American Affairs Subcommittee of the Senate.

POTENTIAL VALUE OF COLUMBUS DAY

Columbus Day celebrations and observances could become the instrument for a rebirth of the good-neighbor relationship which characterized our policy toward Latin America in the 1930's and 1940's. Columbus Day is, after all, the common heritage we share with our neighbors to the south. It does not depend for its existence upon an artificial act of government; and even if it were never marked or celebrated anywhere,

it would still exist in history as the common denominator of all the people of the New World, the Western Hemisphere.

That is why Columbus Day has many advantages. It presents us with an opportunity we should not miss. It unites people of varying races, religions, and national origins as no declaration of any government or national official can do. It is our common heritage, and in marking it, we have a great opportunity to stress and emphasize the many other heritages we share with the people of Canada and of Central and South America.

It is even more appropriate that we should do so when we are seeing in Latin America a steady rise in the tide of freedom and liberty and a steady decline in the domination of human beings by dictatorships.

RISE OF FREEDOM IN WESTERN HEMISPHERE

The force of freedom in Latin America is not a transitory thing. True, it began a long time ago and has languished from time to time, even during its modern phase which began about the turn of the century. Yet when one contemplates the record of the past 7 years, it is truly remarkable. No less than eight countries—Argentina, Bolivia, Colombia, Cuba, El Salvador, Honduras, Peru, and Venezuela—took the long step toward democracy, mostly by revolution. The combined population of these countries is about 55 million—and I wish to remark, parenthetically, that if we fully understood the significance of the struggle for freedom of this huge sector of humanity, we would put aside 1 day in all of America, call it the "Day of Liberty," and forever commemorate the acquisition of freedom by the people of America.

The number of men and women who so recently gained their freedom represents the crescendo in freedom's force in Latin America. But it is not alone the number—striking as it is—which tests this force of the surge of freedom. The test is found in two facts, often overlooked. One is that the tyrannies which were overthrown were not isolated tyrannies. They constituted a system, a network, a sinister apparatus aiding one another, so that what was destroyed and put to rout was an international system of despotism. The second fact is that the people who won their freedom, won it by their own efforts, by their own sacrifices. Thus, while the extent of the force of freedom is signified by the numbers involved—and this number can be increased if we go back a few years before 1952—the strength of the force of freedom is revealed by the international strength of the apparatus it has destroyed, and the durability of the force of freedom is revealed by the fact that it was achieved by the people themselves. I know that the people of the United States applaud this effort, and that in their achievement the people of Latin America have won a position of lasting dignity in the minds and in the hearts of the people of the United States.

Let me turn now to the future and to the question of how we can improve on what we have done, and how we can devise among ourselves more friendly acts which will match the friendly words which one still hears around the hemisphere and also drown out the unfriendly words which have come in increasing volume in the last year.

What is the significance of freedom's powerful surge for the future of Latin America? The consequences I see for the future are deep and overwhelming in their impact.

First, is the now inevitable trend toward democracy. What has been revealed during the past decade or so is the instability of dictatorship, which is another way of saying, the instability of governments not founded on the will and consent of the people. I may be accused of excessive optimism, but instead of a past in which occasional experiments in democracy interrupted a general practice of dictatorships, in the future I

see dictatorships, if they reappear at all, as momentary interruptions in the inevitable and irresistible growth of democratic government.

Second, the force of freedom carries with it a profound popular will for economic development. When economic and business activity is in the hands of a dictator supported by a small aristocracy, the rhythm of development is slow, erratic, and incomplete. Where people are free, the will to develop is comprehensive and strong. Economic development is inevitable for Latin America, at a faster pace than ever before and on a broader scale.

Third, the fruits of economic development are bound to be better distributed. Economic development requires careful planning, the proper selection of objectives, the training of people and the exercise of self-discipline. In the free community, the support of the people must be solicited for the Nation's program. It can only be done by giving the people a permanent stake in the community's welfare. The people of Latin America have already demonstrated that their struggle for liberty has been won in the midst of widespread poverty. They will not again easily surrender their liberty for bread alone. But the demand for economic development which originates with the people must promise a rise in the standards of living. It must promise widespread education and technical training. It must promise the increased application of modern science and technology in all avenues of life. When it is the popular will from which development springs, the riches of development must return to the people in increasing measure.

FREEDOM WILL LEAD TO FRIENDSHIP

Finally, I foresee an eventual development of a new level of friendship and understanding between the United States and Latin America. Friendship between nations must ultimately rest upon the deepest sense of dignity, of self-respect, which nations feel about themselves. As freedom is acquired, as development occurs, as stability and progress are achieved, a nation's self-respect grows. The extremes of popular nationalism, so widespread at the beginning of the journey of progress, are converted into self-confidence as nations acquire the mastery of self-government. And when self-confidence begins, so does the possibility of friendship and understanding. I foresee, thus, as the product of the present surge for freedom, a new level of friendship—a friendship between the United States and its neighbors based upon equality in freedom and equality in our confidence to master and employ for the good of all, the instruments of progress.

These are the possible future products of the force of freedom. They constitute altogether a vast change in the New World, from the pessimism of Simon Bolivar about the possibilities of freedom in America, to the optimism of freedom's own conquest. There are many obstacles yet to be overcome, but the people of this hemisphere will conquer these obstacles. Communism is one of them. At this very time the forces of communism are attempting to link themselves to Latin America's march to freedom. But what has communism to offer? It offers this hemisphere a formula on how to lose freedom. Whichever way one looks at communism, at bottom its fundamental doctrine is revealed: That the only way a community can progress is to surrender its freedom to a dictatorship of self-styled pundits—the so-called leadership of the proletariat—who arrogate to themselves the final wisdom about the laws of mankind's development. Dictatorship is the heart of the Communist matter; but Latin America already knows more about freedom and how to acquire it than does Soviet Russia.

The whole question of inter-American relations and its role in all these areas is cur-

rently the subject of a thoroughgoing study by a subcommittee, of which I have the honor to be chairman, of the Foreign Relations Committee of the U.S. Senate. This subcommittee has been diligently at work for almost a year; it has another year's work still ahead of it. We have called in some of the outstanding universities and research institutions in the United States to study various aspects of the problem and report to us. Those reports, which are not yet complete, will be followed by hearings and further exploration by the subcommittee itself. We are determined to do a thoroughly objective, nonpartisan job, and we hope that we can make useful, constructive recommendations. It would be premature at this point for me to try to anticipate what those recommendations will be, and I shall not do so. I think I can, however, lay down certain general principles.

I want to speak particularly of economic development which is the modern expression for Roosevelt's freedom from want and which is by all odds the major problem of inter-American relations.

There are, it is said, many ways to skin a cat, and there are also many ways to achieve economic development. I am distrustful of anybody who picks out one way, and says this is the only road to salvation.

I do, however, have some suggestions to make regarding economic policy for all the American countries, my own included.

ECONOMIC NEEDS OF LATIN AMERICA

There are three elements in economic development, and each is as important as one of the legs on a three-legged stool. These elements are people, resources, and capital.

Much of the current discussion of inter-American economic problems, I think, centers too much on the need for capital to the neglect of the development of human resources, but I do not underestimate the need for capital, so let me talk about that first.

At this particular point in time, it is in the national interest of the United States to export capital, just as it is in the national interest of most of the other American Republics to import capital. And this is exactly what has been happening to the tune of several million dollars a year. It has occurred largely in the private sector, and on balance, it has made a great contribution to economic growth.

But it is mainly equity capital, looking for a profit. There is nothing wrong with this, as far as it goes. The trouble is it doesn't go far enough. It doesn't go into the kind of nonprofit development which is essential to economic growth. A great many developments of this kind have been financed through the International Bank for Reconstruction and Development, the Export-Import Bank, and the Development Loan Fund. I hope more will be done through the forthcoming inter-American Development Bank. But I wonder if all of this is being done in the most effective way possible.

Better results would follow, in my judgment, if greater use were made of line-of-credit arrangements under which credits are established and drawn on, as needed, for a variety of specific projects. In certain circumstances, it might even be possible and desirable to work out provisions for these lines of credit to revolve—that is, for repayments automatically to replenish the total amount of credit that could be drawn.

Greater use of such line-of-credit arrangements, it seems to me, would make it easier for all the peoples of this hemisphere to develop their own resources in their own way.

I think it must be frankly realized that all of the investments and all of the technology of the United States will not by themselves bring about the kind of economic development which we are seeking in the American Republics. That can only be done by the people of these Republics themselves.

We in the United States can help, but we cannot do the whole job.

If it is fundamental that people have the right to develop their own resources in their own way, it is equally fundamental that they are the ones who must do the developing. A 20th century economy cannot exist in an 18th century social structure. Education is of paramount importance in this respect, and so far as I am aware, not a single country in the Americas is making a sufficient investment in its own people.

It takes capital to develop resources, but it also takes people; and the people come first. This is a field in which the activities of Columbus Day and the Organization of American States could well be expanded.

POSSIBILITY OF COMMON MARKET DESERVES STUDY

Another field for great OAS concern is that of economic cooperation. In considering the economic problems of this hemisphere, we ought, in my judgment, to pay more attention to Adam Smith's doctrine of natural advantage. That is, each of us ought to concentrate on doing that which we can do best. No nation of this hemisphere, not even the United States, is big enough to be a self-contained economic unit. If any nation tries to become self-sufficient, it is not only doomed to failure; worse, it wastes resources which are more badly needed in other lines of endeavor.

From this, it follows, in my judgment, that we should think more along the lines of moving toward economic unity just as we have moved toward political unity. I realize that this will be difficult, that it will involve some possibly painful adjustments for all and that it cannot be done overnight. But I think its benefits will make all its difficulties and adjustments worthwhile. I am hopeful that the Central American Economic Union will point the way toward larger groupings.

An American common market would not only lead to more efficient use of resources; it would also contribute to the formation and growth of the institutions which are indispensable to economic development. It would, for example, make possible larger financial institutions and more extensive markets for securities.

HEMISPHERIC DEFENSE AND DISARMAMENT

Finally, it seems to me that the OAS could make a historic contribution in the field of intra-hemispheric defense. We have seen how the OAS has already made great and encouraging progress in the pacific settlement of disputes among its members. I suggest the time has come to build upon this progress and explore the possibilities of arriving at a regional agreement, within this hemisphere, for the reduction, or at least the limitation, of armaments. Such an agreement would have several obvious and immediate advantages.

For one thing, it would at once free very considerable resources which are now going into armaments and which are more badly needed for schools and other aspects of socio-economic development.

For another, it would tend to diminish the influence of the military and increase the influence of the civilian branches of Government. This would have a very salutary effect, especially in those few countries which still suffer under military or quasi-military dictatorships.

Finally, it would, I think, set a good example for the rest of the world.

As many of you know, I hold to the position in the Senate of the United States that the United States should not grant military aid to dictatorships anywhere in the world, including Latin America. I am willing to support some military aid to free nations in Latin America for hemispheric defense, but even here I think it is preferable to develop a hemispheric police force under the

jurisdiction and direction of some international organization such as the Organization of American States.

I am a strong supporter of increasing economic aid programs for Latin America, preferably on a line-of-credit loan basis related to specific economic projects that will help bring direct economic benefits to the people of Latin America.

A distinguished Brazilian pointed out a few months ago that the relations between the United States and Latin America are perturbed, on both sides, by the prevalence of psychological behavior complexes. As a consequence, he added, the instrumentality of inter-American cooperation has increasingly become a mechanism for juridical and political coexistence rather than a system for mutual understanding.

Our biggest piece of unfinished business is to repair our mutual understanding. This is what the members of this audience are peculiarly well equipped to do. Whatever your vocation may be, I ask you to make this your avocation. I ask you to take it seriously.

REMARKS OF REPRESENTATIVE MORGAN, OF PENNSYLVANIA

Mr. Chairman, I appreciate the opportunity to meet with representatives of the National Citizens Committee for Columbus Day. My distinguished colleague, PETER ROBINO, has kept me informed of the committee's past activities, and I welcome the opportunity to be brought up to date concerning its future program.

It is particularly appropriate for the committee to undertake to broaden the traditional observation of Columbus Day to emphasize the heritage which all of the nations and peoples of the Western Hemisphere share in common as a result of the discoveries of Christopher Columbus.

Columbus Day has in the past been celebrated in part as a reminder of our indebtedness to the older nations of Europe and of the ties which continue to bind us to them. It seems to me to be highly desirable that in addition to looking back across the Atlantic toward the Old World, those of us in the United States as well as those in our sister Republics should look around us within this hemisphere. If we pause and look around us and remember how much the date 1492 means to every one of us, it will bring home to us again the unique relationship which exists between the peoples of our hemisphere.

There is a tendency for nations as well as for individuals to become so preoccupied with their own day-to-day problems that

they give too much emphasis to their differences. Anything we can do to reemphasize the things we have in common and our obligations to each other should make things better for us all.

Rather than taking more of your time, I am very happy and fortunate to be able to call on the Honorable ARMISTEAD I. SELDEN, who is chairman of the Foreign Affairs Subcommittee on Inter-American Affairs. I am glad to be able to transfer to him responsibility for further discussion of the relations of the American Republics with each other. I am sure that you will find that he understands the problems of our hemisphere and that he is very much interested in the work of your group.

Chairman SELDEN and his subcommittee have recently issued a "Report on U.S. Relations with Latin America" which has been widely read and has received many favorable comments. He is a thoughtful and well-informed observer of the Latin American scene. It gives me the greatest pleasure to present to you the Honorable ARMISTEAD I. SELDEN, of Alabama.

REMARKS OF REPRESENTATIVE SELDEN OF ALABAMA

Mr. Chairman, as has been pointed out, last May the Subcommittee on Inter-American Affairs of the Foreign Affairs Committee (of which I am chairman) issued a report on U.S. relations with Latin America. In our examination of inter-American relations prior to the report, we were particularly concerned with the climate of misunderstanding which we found. Bitterness and antagonism were showing up as unwelcome guests even at inter-American conferences.

As long as the atmosphere is charged with grievances and recriminations, we will make little headway in resolving the very real conflicts of interest which are bound to crop up among nations of dissimilar stages of development and of wealth.

In the past, serious problems have confronted us without straining the entire fabric of inter-American relations. The difficulties brought about by the depression of the thirties and by dislocations due to World War II were probably greater than those which confront us today. We asked ourselves why it was then possible to reach friendly understandings, even to disagree on issues, without engendering intense antagonisms; and why today, on the other hand, even minor irritations seem to give rise to downright hostility.

The subcommittee's conclusions and recommendations are set forth in a 10-page report. Dr. MORGAN and I brought along a handful of copies for those of you who might

be interested. Other copies are available from the House Foreign Affairs Committee. Also, the committee has authorized the printing in Spanish of a number of copies of the report, and it is hoped these copies will be off the press by the end of the week.

In our report, you will find no discussion of such substantive problems as what might be done about the instability of Latin America's markets, or ways to promote economic development. Rather, the subcommittee concerned itself in this report with underlying misunderstandings which are impairing efforts to work out solutions to such questions.

I have been deeply impressed by the efforts of the National Citizens Committee for Columbus Day and the Columbus Foundation. Their work has been directed toward creating the very atmosphere of inter-American understanding that the subcommittee found to be indispensable to effective Hemisphere cooperation. There is no better road to inter-American respect and understanding than by individuals' getting to know each others problems and aspirations.

The Columbus Foundation's initiative in setting up its sister-city program is exactly the kind of approach the subcommittee had in mind when it recommended, and I quote from our report:

"We believe that nongovernmental contacts between people of all the American Republics are an essential avenue toward better understanding. Such organizations as the Inter-American Bar Association, the Inter-American Press Association, and the Inter-American Regional Organization of the International Confederation of Free Trade Unions have contributed enormously toward the basic component of strong inter-American ties—an appreciation of each others' problems and aspirations. Moreover, personal contacts between private citizens remove any lurking suspicions of ulterior motives which sometimes attach to a Government-instigated program, no matter how altruistic might be the intention.

"We urge more professional and other groups to undertake similar relations with their Latin American counterparts."

One final word from the congressional point of view. It is extremely gratifying to find groups of private citizens making foreign policy their business. Previously we have noticed tendencies which might be described as "leave it to the State Department" or "leave it to Congress." These are mighty poor substitutes for the kind of strong inter-American bonds that can be forged when a growing circle of Americans, north and south of the Rio Grande, join hands to make the New World the land of peace and plenty our Founding Fathers envisioned.

SENATE

THURSDAY, AUGUST 6, 1959

Rev. James R. Adams, Curate, St. John's Episcopal Church, Georgetown Parish, Washington, D.C., offered the following prayer:

Almighty God, who declarest Thy power by calling forth peoples to be nations and by scattering them abroad at Thy pleasure, we beseech Thee, as for the people of the United States in general, so especially for their Senators in Congress assembled, that Thou wouldst be pleased to grant them in all their consultations and deliberations the grace to ask what Thou wouldst have them to do, that the spirit of wisdom may save them from all false choices. Make them ever mindful, we pray Thee, of their calling to serve this people in Thy fear alone, that the Nation may be led in the

way of truth and righteousness, justice, and compassion, to the end that when called to account for the stewardship of Thy blessings, we not be found wanting, and in the day of tribulation be spared Thy wrath at the hands of our enemies; through Him who came to be our judge, Jesus Christ, Our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 5, 1959, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. MAURER, one of its reading clerks, announced that the House had passed the bill (S. 1455) to

authorize the rental of cotton acreage allotments, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8283) making appropriations for the Atomic Energy Commission for the fiscal year ending June 30, 1960, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 7454) making appropriations for the Department of Defense for the fiscal year ending June 30, 1960, and for other purposes, and it was signed by the President pro tempore.